

INTERNATIONAL  
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Established 1887

WEATHER FORECAST - PARIS.  
Temp. 23-25 (Sat.). Tomorrow: rain.  
Temp. 20-22. Wednesday: temp. 21-24.  
Thunder, rain. Temp. 22-24 (Wed.).  
Temp. 20-22 (Thu.).  
CHANGING: Rain. Temp. 20-22.  
NEW YORK: Rain. Temp. 20-22.  
NEW YORK: Rain. Temp. 20-22.  
NEW YORK: Rain. Temp. 20-22.

B757



### Hawaii's Mauna Loa Erupting

HILO, Hawaii, July 7 (AP)—Mauna Loa volcano has erupted for the first time in 25 years, producing a glow which has been seen throughout the island of Hawaii, officials reported.

Officials said there was no immediate threat to any populated area on the 4,000-square-mile island, the largest in the chain.

On Friday, there was a moderately strong earthquake near Kilauea, a separate volcanic system on the eastern tip of Mauna Loa but there was no indication of any activity there. Kilauea last erupted in December of last year.

### Leaders With Economic Leaders

## Mrs. Gandhi Warns Business Boost Output or Face Curb

DELHI, July 7 (AP)—Minister Indira Gandhi said today that business leaders must improve the economy or face tough sanctions under her new rule.

Speaking in the nation's business leaders' assembly for a 90-minute session, Mrs. Gandhi said she wanted the economy to improve and production to increase.

She said she would not tolerate any business leaders who were not doing everything better and with a sense of urgency.

Mrs. Gandhi also said there should be greater emphasis on discipline and cleanliness among business leaders.

Cooperation Offered

The Prime Minister's spokesman said the industrialists welcomed Mrs. Gandhi's emphasis on discipline and offered their full cooperation in increasing production, especially of consumer goods.

Mrs. Gandhi promised the businessmen her government would do everything possible to ensure adequate power and electricity for industrial units, sufficient raw materials and essential imported items needed for raising production.

But in response to the businessmen's proposals for help in raising capital, Mrs. Gandhi said there would continue to be a tight credit policy to avoid inflationary pressures.

Mrs. Gandhi's talks with the businessmen and industrialists represented a further demonstration of her intention to work closely with the private sector, ignoring Communist demands for nationalization of industries and large businesses.

Mrs. Gandhi's public preoccupation with economic affairs also indicated confidence on her part that she had successfully crushed any serious opposition to her assumption of authoritarian powers.

Initial Crackdown

The initial crackdown began with the arrest of several thousand non-Communist opposition leaders and cadres who had planned national agitation to urge Mrs. Gandhi to resign while appealing her conviction for electoral law violations.

### Italy's Report Soviet Interest In Two Liners

GENOA, July 7 (AP)—The Soviet Union wants to buy two of Italy's idle transatlantic liners, the Michelangelo and the Raffaello, shipping yards said today.

Built at a joint cost of about \$130 million 10 years ago, the liners have been put out of service because of mounting debts, rising oil prices and declining passenger traffic.

But the sources said, the Soviet Union hoped to use the ships as passenger liners.

The state shipping line is asking \$15 million for each liner. An unidentified U.S. source has reportedly offered \$4 million for each ship and would use them as floating hotels, the sources said.

The Michelangelo docked here Saturday after its last voyage from New York, while the Raffaello was retired from service two months ago.

## Red Party 'Alerted' on Coup Peril In Lisbon

By Henry Ginger

LISBON, July 7 (UPI)—The Communist party revealed today that it had alerted its militants Friday and had "strong reasons" to continue vigilance against reactionary efforts "to paralyze the revolution."

The Communist alert was called amid reports of an "offensive" against Premier Vasco dos Santos Goncalves by a part of the armed forces. Gen. Goncalves is considered friendly to the Communists who in turn have given him their full support.

Rumors of a possible coup in which the Premier would be the principal victim were so strong that President Francisco de Costa Gomes went on radio and television Friday night to denounce a campaign that he charged was aimed at dividing the armed forces and at spreading anarchy in the country. But despite the President's assertion that the armed forces were cohesive, the reports of divisions persisted.

There was apparent dissatisfaction with the government's lack of authority in dealing with political agitation and economic crisis. Symptomatic was a decision by a large majority of employees of the state-run airline, TAP, to start strike action today despite denunciations by the Communists that it was a counter-revolutionary move.

On Friday, Communist militants gathered in factories and other meeting places, according to Communist writer Miguel Urbano Rodrigues, who asserted in the newspaper O Seculo today that July 4 would become a historic date in the Portuguese revolution, although "a part of the nation did not perceive the gravity of the moment."

Ottavio Pato, deputy leader of the party, said: "Only the blind who do not wish to see deny the revolutionary reality and the resurgence of actual or counter-revolutionaries. Even if groups to the left of the party have been blamed by the Communists and the Premier for a good part of the agitation and are accused of playing the reactionaries' game."

The Communists did not go into the streets or attempt to set up road blocks as they have done in other crises. Alvaro Cunhal, the party leader, was reported to have been called to the headquarters at military security forces Friday afternoon and warned by the commander, Gen. Otello Saravia de Carvalho, against street action.

That night, as if to show they were united, both Gen. Goncalves and Gen. Carvalho were at the (Continued on Page 2, Col. 8)

## Deadline Passes For Opening of Security Summit

GENEVA, July 7 (AP)—A continued deadlock at the 25-nation European security conference tonight forced abandonment of Soviet-backed plans to wrap up the two-year talks this month with a summit conference in Helsinki, delegates reported.

Finland announced at a meeting of the conference's Coordinating Committee that the deadline for organizing the proposed conference July 28 had passed and that for technical reasons the date could no longer come under consideration.

The Finnish announcement followed 10 days of fruitless efforts to agree on a date for the talks which Soviet Communist party chief Leonid Brezhnev had wanted before the end of the month.

His foreign minister, Andrei Gromyko, had warned at a Rome news conference that postponing the summit beyond July would put a "grave responsibility" on the West.

While East-West agreement was virtually complete, smaller issues, including Malta, Romania and Turkey, registered reservations that have not been overcome so far.

## 15 U.S. F-4 Aircraft Leave Thailand Base

BANGKOK, July 7 (AP)—The U.S. Air Force removed 15 of its F-4 reconnaissance aircraft from Udorn Air Force Base today as part of a phased withdrawal of U.S. forces from Thailand scheduled to be completed by March. A U.S. military spokesman said.

The aircraft left Udorn, 250 miles northeast of Bangkok, for assignment to unspecified locations outside Thailand. About 15,000 U.S. troops and 200 aircraft remain in Thailand, the spokesman said.



A Palestinian guerrilla surveys the debris of Rashidieh refugee camp after attack.

## Cabinet Quits; Mrs. Peron Holds Talks

## Argentina Is Paralyzed by Strike

BUENOS AIRES, July 7 (Reuters)—President Isabel Peron, faced with the most serious crisis since her husband died a year ago, met government officials and labor leaders for talks today as a 48-hour general strike gripped Argentina.

President Peron held a meeting with her Cabinet, which was forced by the crisis to resign last night.

She also met leaders of the General Labor Confederation (CGT) and its Peronist branch. Tonight, Labor Minister Cecilio Condul said that an agreement had been reached to end the general strike. He said that further meetings would be held.

Despite the Cabinet's resignation and last-minute talks last night, the CGT decided to go ahead with the 48-hour work stoppage.

to protest the government's wage policy.

The strike defied a ban imposed under the state of siege, declared last November to combat growing political violence.

There was little movement in the streets of Buenos Aires today. Shops, businesses, restaurants, banks and other establishments were closed.

Essential services such as hospitals, water supplies, electricity and gas were maintained by minimum crews.

Road, rail and sea transportation was halted and international airlines were hard pressed to maintain services because of an airport ground staff strike.

One Violent Incident

Police were ordered to report for duty but only one violent incident was reported. A policeman was wounded in a guerrilla attack.

by presumed leftists on a police post on the outskirts of the capital.

The presidential press office said the Cabinet resigned to ease the way for a solution to the labor and political crisis that followed the government's decision to cut wage increases reaching 150 per cent—to a uniform 50 per cent.

Besides setting off an unprecedented labor rebellion against a Peronist government, the administration's move also seriously split the Peronist movement.

Several Peronist politicians joined labor leaders in urging the resignation of Economy Minister Cristobal Rodriguez and Social Welfare Minister Jose Lopez Rega.

Government Strongman

The President, who took over from her late husband, Gen. Juan Peron, a year ago, is understood to rely heavily upon the support of Mr. Lopez, who is generally regarded as the strongman in the government.

Mr. Lopez, President Peron's private secretary and closest confidant, was behind the appointment of Mr. Rodriguez, who introduced austerity measures early last month. One measure, the 50-per-cent devaluation of the peso, caused prices to rise sharply.

Inflation exceeds 110 per cent a year in Argentina, which is also suffering serious balance-of-payments difficulties. A leading newspaper estimated that the two-day strike will cost the troubled economy \$800 million.

3 Days, Actually

Most of Argentina's industry has been paralyzed since June 27 as local labor leaders organized protest strikes.

Because Wednesday is a national holiday, the general shutdown was certain to continue until Thursday morning.

The leaders of seven of the 11 parties that make up the ruling Peronist-led coalition today met Raul Lastiri, vice-president of the Peronist movement, to demand drastic changes in government policy, parliamentary sources said.

Mr. Lastiri first in June to succeed Mrs. Peron as president of the House of Deputies, is Mr. Lopez Rega's son-in-law.

## Israelis Attack Villages, Camps Inside Lebanon

BEIRUT, July 7 (UPI)—Israeli planes, gunboats and artillery struck into southern Lebanon today in one of the fiercest raids in months, shelling at least eight villages and three Palestinian camps apparently in retaliation for last week's bomb blast in Jerusalem, a military spokesman said.

Palestinian guerrillas said their anti-aircraft fire brought down one of the Israeli Phantom jets in flames 11 miles inside the Lebanese border but military spokesmen did not confirm the report. Reports from the scene said at least 13 persons were killed and 27 wounded, 20 of them seriously, in the pre-dawn air and sea attack on the camps and the village shelling, which began after daybreak. All but one of the dead and two of the injured were camp casualties and included two women and three children according to police.

Prime Minister Rashed Karami praised the army and the Palestinian guerrilla units, who he said gave the Israeli stiff resistance and forced them to retreat "leaving behind a trail of blood."

He said the Israelis tried to land ground forces near the camps but were pushed back "by the joint defense between the authorities and the (Palestinian) resistance." Foreign Minister Philip Takla said Lebanon would protest the attack to the United Nations.

Loss of Plane Denied

The guerrilla spokesman said the Phantom was shot down while strafing Rashidieh, one of three Palestinian camps south of Tyre on the Mediterranean coast that came under Israeli attack.

He said it went down in flames in the Nabatieh region near the Litani River, "where our fighters are searching for the two pilots." The Israeli command denied that a Phantom was shot down and said all Israeli forces returned safely.

The raid was an apparent reply to last week's bomb blast in Jerusalem—the worst explosion in the Israeli capital in 30 years. It claimed scores of casualties and Palestinian spokesmen afterward announced that the guerrillas had planted it. A death today brought the toll of fatalities in the blast to 14.

The attack began at about 2 a.m. when at least three Israeli gunboats and several formations of Phantoms began bombarding the three camps and kept it up for 2 1/2 hours, a military spokesman said.

One of the camps, Dahr Raadoun, was hit "with 15 rockets and bombs," he said, and the third camp, Burghuliyeh, also came under heavy fire.

Houses Blown Up

The shelling of the Lebanese border villages began at about 2 a.m., less than two hours after the Israeli planes and gunboats had withdrawn. Lebanese artillery traded fire with the Israelis during both clashes, the military spokesman said.

In Tel Aviv, Israeli military sources said its commandos landed just south of Rashidieh, detonated at least three houses suspected of harboring guerrillas and fired at a jeep with at least three men in it, blowing it up and killing all inside, military sources said.

Israeli artillery joined the offensive and pounded suspected guerrilla concentrations in the hilly region north of the frontier in Lebanon. Gunners in Lebanon later fired several Katyusha rockets and shells into Israel but Continued on Page 2, Col. 5

## French Land 200 Riot Police On Seeding Comoro Islands

PARIS, July 7 (AP)—A detachment of 200 French riot police landed in the Comoro Islands today within 24 hours after the island government's "unilateral proclamation of independence," which ended 120 years of French colonial rule.

The French Ministry of Overseas Territories, announcing the arrival, made no comment on the independence proclamation. Henri Beaux, the ranking French official in the Comoros, declared a state of emergency yesterday immediately after the proclamation but rescinded it three hours later, presumably on orders from Paris.

It was not immediately clear whether the French government intended to restore French authority in the impoverished Indian Ocean island group by force or whether the riot police were intended merely to prevent violence between rival political groups.

The Comoros, between Madagascar and the East African mainland, comprise four main islands with a total population of about 300,000, most of whom are Moslems. The most southerly of the islands, Mayotte, has 37,000 inhabitants, most of whom are Christians.

55% for Independence

In a referendum on Dec. 22, 99 per cent of the total population of the islands voted for independence, but a majority of 64 per cent on Mayotte voted for continued links with France. Independence was expected by the end of this year.

The French National Assembly decided last week, however, to allow each of the islands to vote separately on a proposed constitution—thus raising the possibility of Mayotte's secession from the new state. The unilateral declaration of independence was seen as an attempt to keep Mayotte within the Comoros state at all costs.

Mayotte's deputy in the French National Assembly, Marcel Henry, said in a cable to French President Valery Giscard d'Estaing that Mayotte "remains legally an integral part of France" and expects the French government to take all necessary measures to impose its authority on the island.

## Shoppers Line Up at Food Store in Buenos Aires as the Deadline for the 48-hour nationwide strike approached.



Shoppers line up at food store in Buenos Aires as the deadline for the 48-hour nationwide strike approached.

## Beirut Sees Release Soon Of U.S. Aide

## Palestinians Assist In Hunt for Colonel

BEIRUT, July 7 (UPI)—Premier Rashed Karami said today that the police and Palestinian guerrilla organizations were close to finding kidnapped U.S. Army Col. Ernest Morgan and he hoped "to have him released soon."

Police sources added that guerrilla security agents had "good evidence" of where Col. Morgan may be and were close to finding and releasing him, perhaps by force.

Mr. Karami told newsmen, "We are holding constant meetings and the (Palestinian) resistance movement is helping us with means available to them. I hope we will see him released soon."

Mr. Karami did not indicate how authorities planned to secure Col. Morgan's release, but the indication given by police sources was that there had been no direct negotiations with the kidnappers and that his release would be attempted by force if he were found.

Wednesday Deadline

The U.S. Embassy had no comment on Mr. Karami's statement. The little-known Organization of Socialist Revolutionary Action had given the embassy until Wednesday evening to reply to its demand for an aid distribution program to refugees of a leftist Moslem area devastated during last week's fighting between rival political factions.

Police sources said the ransom demand called for 200 tons of food, 500 tons of building materials and clothing for 3,000 persons to be distributed to community leaders in Karantina, a suburb of Beirut devastated by 10 days of rocket and mortar fire and street battles between rival party militias.

Col. Morgan, 43, of Potomac, Va., was abducted from his taxi at a traffic circle in a Palestinian-controlled suburb of Beirut on June 26. His only communication from his abductors was in a message delivered yesterday to a news agency and passed along to the embassy the same night.

Two tape recordings of Col. Morgan's voice and six photographs of him in captivity accompanied the demands, an embassy spokesman said.

## Philippines Seeks Control of U.S. Air, Naval Bases

MANILA, July 7 (UPI)—President Ferdinand Marcos said today that the Philippines wants control of all U.S. military bases in the country but is willing to negotiate on their continued although limited use by the United States.

Mr. Marcos told the opening session of an international economic conference that "By mutual agreement, we are now ready to enter into negotiations with the United States on our mutual-defense pact, military aid pact and military-bases agreement."

"We want to assume control of all these bases and put them to a productive economic as well as military use. At the same time we are willing to enter into new arrangements that would help the United States maintain an effective presence over the air and sea lanes of the western Pacific."

The United States maintains two major military facilities in the Philippines. One is Clark Air Force Base, the largest U.S. overseas military installation and headquarters of the Third U.S. Air Force. The other is Subic Bay Naval Base, a major supply and repair facility of the Seventh Fleet.

## Threat to Missionaries

NAIROBI, July 7 (AP)—Uganda said today it will expel more "so-called missionaries" following the deportation of 16 Italian Roman Catholic priests last week. The number of missionaries to be expelled and their decommitments were not specified.



### Blame Anti-War 'Conspiracy'

## Envoys Back From Saigon Bitter on U.S. Loss of South

WASHINGTON, July 7 (AP).—A small but vocal group of diplomats that until a few weeks ago represented the United States in South Vietnam has returned to Washington, bitter and bewildered.

With unusual unanimity, they say the country should not have fallen. Members of the group talked freely but refused to be identified in informal interviews.

Ambassador Graham Martin has not returned to Washington. His former aides say he was exhausted when he left Saigon the day the embassy closed and is in Italy. He is expected to return.

A career Foreign Service officer, Mr. Martin is 62, with 42 years of government service, including 28 with the State Department, behind him.

### Close-Knit Group

The group of 20 Foreign Service officers is sticking together. That frequently occurs when diplomats have served together in the same post under trying circumstances. But they received a friendly warning from their superiors that it would be pointless to form an "embassy in exile."

The 1973 Paris agreement, the diplomats argue, did not require that the United States abandon South Vietnam. The "tragedy," as the diplomats call it, began in May of last year when Congress rejected the administration's request for \$200 million in additional aid for that country.

From then on everything was downhill. But did the administration do everything in its power to prevent disaster, the diplomats keep asking.

The diplomats argue that withholding the aid was a "signal" that was read and understood in Hanoi and was probably the main factor in the North Vietnamese decision to step up the invasion of the South. The other factor was awareness that time was not on the North's side, because the South was getting stronger economically.

Rice, Oil Year

The diplomats claim that this year, South Vietnam would have returned to self-sufficiency in rice production, which had been badly

restricted by years of warfare. Offshore oil exploration was particularly promising this year, they added.

The diplomats admit that they can find no excuse for the military collapse of the South. The decision to shorten the defense lines was sound but why former President Nguyen Van Thieu's troops disintegrated without fighting remains a mystery.

Some diplomats suspect a conspiracy. They talk about the cooperation among the various peace movements in the United States and the apparent simple funds behind them. While some diplomats wonder, they decline to speculate about the origin of the funds.

A spokesman for one of the anti-war groups said many Americans "were, and still are," willing to pay for the noble effort to end the war. "The groups universally deny receiving funds from such sources as foreign powers."

However, the diplomats refuse to believe that the groups could finance their expensive activities with legitimate funds. In January, they recall, a group of nine Americans arrived in Saigon to demonstrate in front of the embassy.

### Confrontation Trip

The Americans had one-week visitor visas granted automatically to every American tourist. As a diplomat put it, they were obviously "looking for physical confrontation" with the Saigon police.

The travel cost alone was about \$18,000, the diplomats estimate.

The diplomats claim that a conspiracy theory is supported by the wide distribution of what they call the do-it-yourself kits—guidelines to organizers on how to conduct the anti-war campaign.

Distributed by the Indochina Resource Center, which is headquartered in Berkeley and has offices elsewhere in California, the guide contains detailed instructions on how to flood Congress with letters and how to try to enlist legislative allies.

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OUT OF ACTION—A 1,200-pound German time bomb from World War II is deactivated with steam by a British Army bomb disposal worker in Bexleyheath, where it was unearthed yesterday. Residents were evacuated while the bomb was defused.

## Foreign-Policy Shift by India Held Unlikely

NEW DELHI, July 7 (NYT).—

Although Prime Minister Indira Gandhi has promised populist measures at home following her crackdown on the political opposition, foreign diplomats here believe that India's foreign policy is unlikely to shift dramatically in the near future.

Some of Mrs. Gandhi's opponents privately charge that she has "sold out" India's future to the Soviet Union by her new authoritarian moves, which include wide-scale arrests of persons being branded as "reactionaries."

But, so far, Mrs. Gandhi has underplayed the role of purported "external threats" to the country in justifying the state of emergency declared on June 25. In April and early May, when the opposition was volatile and active, there was much official talk of alleged Chinese and Pakistani

weapons build-up on India's borders—a tactic that many here saw as a diversion from the domestic turmoil.

The pro-Moscow Communist party here, which has tacitly supported Mrs. Gandhi since 1969 in conformity with Soviet policy on the subcontinent, has denounced "U.S. imperialism" as a primary backer of the Prime Minister's opponents, many of whom are now in jail.

### CIA Charged

A resolution of the party's Central Executive Committee last week charged that "the CIA was masterminding the entire operation."

But Mrs. Gandhi has not echoed this line herself. On the contrary, she went out of her way last week to tell a group of visiting U.S. teachers that President Ford "would be welcome" to come to India as planned at the end of the year.

Official messages sent to Mr. Ford on the occasion of the Fourth of July celebration were characterized by a non-U.S. diplomat as "the warmest things as have been said since 1971," when Washington's "tilt" toward Pakistan soured its relations with India.

A thaw in the frosty state of Indian-U.S. relations was signaled on June 20, just before the domestic crackdown, when Foreign Minister Jashwantar Chavan said he hoped to resume a "dialogue" with the United States. Ambassador William Saxbe, who has kept a very low profile here, publicly welcomed the new stance.

### Civility Is Goal

It remains to be seen how far this rhetoric will carry but some foreign analysts here believe that Mrs. Gandhi wants to restore some civility to the ties to avoid getting too close to the Soviet Union.

She may also want to improve ties in the light of Washington's announced credit-line agreement on \$800 million of wheat under Public Law 480, the first such agreement since 1971, and because the United States remains India's largest trading partner.

"She can't afford to offend too many people," a European diplomat observed.

In 1971, India and the Soviet Union signed a 20-year friendship treaty, which Mrs. Gandhi's critics

claimed at the time effectively "buried" this country's proud policy of nonalignment.

But, while trade and arms sales have cemented relations between the two countries, most foreign and Indian analysts here agree that India has not become a Soviet satellite. The country pays for the arms it gets from the Soviet Union, for example, and its own armaments industry is fairly sophisticated and diversified.

There was speculation just after the emergency went into effect that Mrs. Gandhi might try to stir up trouble with Pakistan—again as a diversion from her own political difficulties.

But India has lately been forging closer ties with Iran, which has agreed to several joint ventures and to sell oil to India under long-term credit arrangements. Shah Mohammed Reza Pahlavi of Iran, who is preoccupied with maintaining stability in the Iranian desert area, would be profoundly displeased with trouble on the subcontinent.

Israelis Raid Villages, Camps In South Lebanon, Killing 13

(Continued from Page 1)

caused neither casualties nor damage, the command said.

The Israeli strikes marked the first operation involving land, sea and air forces against guerrillas in Lebanon since Feb. 31, 1973, when the Israelis made their deepest penetration into that country.

In Beirut, security forces in armored cars and half-tracks continued to patrol the streets but no violations of the week-old cease-fire between rival political factions and Palestinian guerrillas were reported.

Beirut residents were still so jittery, however, from the fighting and the Israeli raids that Beirut residents hastened to broadcast explanations of a sonic boom that sounded over the city late today. It was the Anglo-French Concorde making a test run from the Persian Gulf to Europe, the radio said.

Meanwhile, in attempts to reach a second troop disengagement agreement with Egypt, Israeli Ambassador Simcha Dinitz departed for Washington with instructions from the Cabinet to obtain additional clarifications from Secretary of State Henry Kissinger over where Egypt wants Israel to withdraw in Sinai.

He told newsmen at Ben Gurion Airport that Israel's reply in Egypt through Mr. Kissinger "will be given only after Israel has complete information."

"We should not set for ourselves a zero hour or accept a zero hour from others. Rather, there are subjects which are tied to the basis of our security and the defense systems of Israel. There is no reason to work in a hurry," he said.

The newspaper Maariv agreed with Mr. Dinitz editorially and said the United States "no longer insists on a tight time schedule" for the conclusion of an agreement based on a second Israeli pullback in Sinai. "A calmer atmosphere prevails," it said.

Egypt is insisting that Israel pull back in Sinai beyond the Mideh and Gidi Passes. Israel insists on retaining a hold on the eastern ends of the passes because of their strategic value as an armored column's gateway to central Sinai and eastward to Israel.

But in an apparent leak to its media, Israel said it and Egypt basically agree on the duration of the cease-fire—two to three years—and an Arab magazine in propaganda aimed at Israel.

8 Arab Guerrillas Reported Slain in Beirut by Israelis

NEW YORK, July 7 (UPI).—Time magazine reports in its current issue that Israeli intelligence agents, taking advantage of recent clashes between Palestinians and rightists in Lebanon, entered Beirut last month and assassinated eight key members of Palestinian guerrilla groups.

Time said the agents also planted a bomb in the basement of a building used by the Popular Democratic Front for the Liberation of Palestine. The bomb went off June 29, killing six and wounding 13 others, the magazine said, but Palestinian leaders attributed the blast to a careless guerrilla who had dropped a hand grenade in a storage place for explosives.

The magazine said the Israelis claimed to have killed eight guerrillas and wounded 13 others during three separate attacks on June 25, 26 and 29. It said two Israeli snipers on a rooftop shot a guerrilla leader as he stood in his window.

Time said the Israeli raiders all escaped undetected by Lebanese authorities.

54 Die on Pakistan Bus

RAWALPINDI, Pakistan, July 7 (Reuters).—Fifty-four persons were reported killed yesterday when a bus plunged more than 100 feet into a ravine from a narrow mountain road north of here.

Eastland Hurt in Fall

CLEVELAND, Mrs. July 7 (AP).—Sen. James Eastland, D-Miss., was hospitalized today for three broken ribs after a fall at his home in Dollywood.

### To Back Curb on Pay Increases

## Wilson Appeals to Mine Workers

By Robert B. Semple Jr.

SCARBOROUGH, England, July 7 (NYT).—Prime Minister Harold Wilson today delivered his strongest plea so far for a 10-per-cent limit on new wage increases to the group that, on past performance, threatens him most—the National Union of Mine-

workers.

Addressing the union's policy-making conference at this seaside resort, Mr. Wilson described some of the wage proposals put forth at the conference as "crazy, even suicidal," for the nation as a whole.

Mr. Wilson had in mind a specific proposal advanced by Arthur Scargill, militant president of the Yorkshire miners, who has urged wage increases ranging from 66 to 80 per cent above the present average weekly wage of \$14.13.

Invoking his long history of trade union support, as well as his own Yorkshire background, Mr. Wilson told the 267 delegates that failure to show restraint would not only make the coal industry dangerously uncompetitive, but would also threaten the government's credibility in the eyes of the world.

He also opposed the government's proposals to enforce the pay limit by directing sanctions at employers rather than workers, whom Mr. Wilson does not wish to offend any more than he must.

One such sanction proposed in government circles would be to use Britain's price code to keep employers from passing along to consumers the cost of wage settlements exceeding the 10-per-cent limit. In the employers' view, this would present them with three unpalatable choices: accepting a strike or accepting the excessive wage demands and absorbing them either by cutting profits or firing workers.

The mine workers' conference is due to vote on the Scargill proposal tomorrow, unless union president Joseph Gormley is successful in his apparent strategy of trying to forge all wage resolutions, winning a general statement of intent pledging support to the government and deferring the wages question until some bargaining begins next winter.

### Social Justice

The issue now is not whether this or any other democratic socialist government can survive and lead the nation to full employment and a greater measure of social justice," he said. "It is whether any government so constituted, so dedicated to the principles of consent and consensus within our democracy, can lead the nation."

Meanwhile, the government continued its efforts to win consensus on two other fronts:

- In London, the Economic Committee of the Trades Union Congress, a confederation of the labor union, met tonight with Chancellor of the Exchequer Denis Healey, after trying throughout the day to devise a voluntary wage program acceptable to the government.

It planned to present its recommendations to the congress's General Council Wednesday in an effort to influence the government's white paper on wages due near the end of this week.

- Also in London, a delegation from the Confederation of British Industry met with Mr.

Healey. The industry group seems satisfied with the 10-per-cent wage proposal but wants it combined with government spending cuts.

It also opposes the government's proposals to enforce the pay limit by directing sanctions at employers rather than workers, whom Mr. Wilson does not wish to offend any more than he must.

One such sanction proposed in government circles would be to use Britain's price code to keep employers from passing along to consumers the cost of wage settlements exceeding the 10-per-cent limit. In the employers' view, this would present them with three unpalatable choices: accepting a strike or accepting the excessive wage demands and absorbing them either by cutting profits or firing workers.

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### Paris Weekly Cuts Article On Argentina

PARIS, July 7 (NYT).—L'Express, the French newsweekly, today published a heavily self-censored version of an article by Emmanuel Le Roy Ladurie, a leading French historian, who was arrested four days ago by Argentine police.

The article, incomprehensible in its published form, was entitled: "Argentina—On 'the Brink.'" Sources here said that in its original form it was a scathing attack on President Isabel Peron and her government.

In a note accompanying the article, Philippe Grumbach, editor of L'Express, said that Mr. Ladurie had been arrested Thursday night in his hotel room in Buenos Aires by three plainclothesmen.

Mr. Grumbach said the passages of the article that might be regarded as offensive in Argentina were voluntarily cut because Mr. Ladurie risked being indicted in Buenos Aires for insulting the chief of state.

The Argentine ambassador in Paris and the French ambassador in Buenos Aires have been convoked by their host countries' foreign ministries today to find a way out of the situation. The Foreign Ministry here said that France had demanded the "immediate liberation" of Mr. Ladurie. Mr. Grumbach also saw President Valery Giscard d'Estaing on the matter.

Sources at the Foreign Ministry said it was possible that the Argentines would simply expel Mr. Ladurie rather than try him. But they said the situation was complicated by a 48-hour strike in Argentina that has grounded all planes.

### N.Y.C. Workers Insist on Raise

NEW YORK, July 7 (AP).—Leaders of the city's municipal labor unions rejected a request today by Mayor Abraham Beame to forgo a 6-per-cent wage increase and save the jobs of almost 13,000 employees.

The unions said they would not become "tolerant" of Mayor Beame's plan, which would require a 6-per-cent wage increase and save the jobs of almost 13,000 employees.

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Another possibility that surfaced tonight, according to some close to Mr. Scargill, was that the Scargill forces would accept a resolution describing the 66 to 90-per-cent increases as an "objective" instead of an immediate "demand." This would satisfy miners who want their pay raised to more than \$100 a week, would leave open the possibility that this goal could be achieved in slow stages over several years.

It was not immediately known whether this formula would be acceptable to the government. But such a compromise would be more palatable to the government than it faces. Scargill's proposal for a huge increase this year, should that original proposal be approved—and there is still a possibility that it will be—would mean the Wilson government that it faces general resistance later in the year, including, possibly, strikes in the mines similar to those that shattered former Prime Minister Edward Heath's attempt to legislate wage increases, put Britain on a three-day work week, and eventually brought Mr. Wilson back to power.

It would also seem to increase the pressure on the government to impose some form of statutory controls on wages and prices to insure that future increases are kept at or below the 10-per-cent limit, which is about one-third the rate at which recent wage settlements have been running.

In other words, officials feel any strong assertion of anti-government sentiment by the mine workers would seem to require at least stand-by government sanctions, no matter what the Trades Union Congress and the industry confederation are able to devise in the way of a voluntary program.

Details of the government's proposals, first outlined in general terms by Mr. Healey to the House of Commons last Tuesday, are to be presented in the white paper Thursday or Friday.

It has been clear from the beginning that the majority of Mr. Wilson's Cabinet would prefer a "voluntary" policy agreed to by business and labor alike, but this option would seem to depend very much on what the mine workers do.

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## Hanoi Links Hunt For Missing GIs To Aid From U.S.

BANGKOK, July 7 (AP).—

North Vietnamese Premier Phan Van Dong said that his government is ready to study the fate of Americans listed as missing in action in Vietnam but he has linked the search for the missing men to U.S. aid in the reconstruction of Vietnam.

In a letter to 21 U.S. congressmen broadcast today by Hanoi radio, Mr. Dong said, "The search for U.S. missing persons in the Vietnam war, the exhumation and return of bodies of U.S. personnel are outstanding matters that should be resolved as soon as possible."

Another matter, linked to any resolution of the issue of missing men is "the U.S. contribution to the postwar reconstruction of Vietnam," according to the broadcast monitored in Bangkok.



## Cost Put at \$1.2 Billion

## Ford Supports Building Of A-Powered Cruiser

By John W. Finney

WASHINGTON (NTT).—Against the advice of the Defense Department and his budget office, President Ford has asked Congress to allow the Navy to construct a nuclear-powered cruiser that will cost \$1.2 billion, making it the most expensive ship ever built by the Navy.

The presidential decision, made with little publicity, represents a significant victory for Vice Adm. Hyman Rickover and his congressional adherents over the Defense Department.

In the opinion of senior Defense Department officials, however, the decision raises fundamental policy issues about the future size, composition and role of the Navy.

Basically, these issues boil down to this question being asked in the Defense Department: How is the Navy reduced to 500 ships, going to find funds to build up to a 600-ship fleet, if it insists on buying ships that cost \$1 billion and more?

## Nixon Claims Records Hold Private Data

WASHINGTON, July 7 (AP).—Former President Richard Nixon said that when his administration collapsed last year as a result of the Watergate scandal, he left behind records that recount his life as a private citizen.

"When I resigned the office of president... I left in the White House not only the materials my staff had accumulated during 12 years there, but a large quantity of the materials I had brought with me at the time I assumed office," Mr. Nixon said in a sworn affidavit filed last week in U.S. District Court.

The affidavit was filed in support of Mr. Nixon's contention that Congress acted illegally in denying him ownership of 42 million documents and 880 reels of tape, many of which were involved in the Watergate investigations.

Although all of the material has been lumped together under a Watergate label, Mr. Nixon said that many of the items held by the government are of no use to anyone else. He said that they represent the records of his personal and professional life.

Personal Conversations

Mr. Nixon's affidavit said that he has received some of his presidential papers, although "I know that many items... are still impounded with the presidential materials of my administration."

Among personal items the former president says he wants released are diaries, letters, memoranda and tape recordings of personal conversations, some involving members of his family.

Mr. Nixon said that some of the tape recordings still held by the government contain discussions of "purely personal matters."

He said that at times he considered himself to be a private citizen holding "discussions in my office with my personal physician concerning my health, a subject I would not and did not discuss with others."

"I talked candidly with my personal attorneys about confidential matters. And finally, on other occasions, I met and talked with clergymen and counselors whom I considered to be personal clerical matters I trusted and assumed they would not recount to others," he said.

## U.S. Attorney Subpoenas Maryland Governor's Tax Files

By Ben A. Franklin

ANNAPOLIS, Md., July 7 (NTT).—Investigative policies of the type that led to the downfall of former Vice-President Spiro Agnew in 1973 is having a brisk revival here in a public relations battle between the U.S. attorney's office and Gov. Marvin Mandel.

Amid inconclusive sparring in the press between the federal prosecutors in Baltimore and the governor at the state capital here,

## U.S. Senate to Probe Gasoline Price Rises

WASHINGTON, July 7 (AP).—Recent increases in gasoline prices in the United States have become the target on a special Senate investigation.

Senators Henry Jackson, D-Wash., and Adlai Stevenson, D-Ill., announced the investigation yesterday and said it will try to determine if oil companies, possibly cut refinery production in order to raise prices as much as 7 cents a gallon. The average price is about 36 cents a gallon.

## Agnelli Is Re-Elected Mayor of His Village

VILLAR PEROSA, Italy, July 7 (AP).—Giovanni Agnelli, president of Fiat, today was re-elected mayor of his village near Turin, where his family owns estates.

Mr. Agnelli was supported by Liberal and Christian Democratic members of the municipal council.

The nuclear-powered strike cruiser the President approved is to be equipped with Aegis, a highly sophisticated fire-control system that the Navy is developing for its defensive missiles, which have never performed up to expectations. The ship is platform for the Aegis system because a central issue in the debate that developed over construction of the first-strike cruiser.

Largely because of the high cost of nuclear-powered ships, the Defense Department, with support from the Office of Management and Budget in the White House, proposed a mix of Aegis-equipped ships—eight nuclear-powered frigates or cruisers and 16 conventionally powered destroyers.

Under the Defense Department proposal, the first of the ships was to be a destroyer, largely because it could be built more quickly and cheaply than a nuclear-powered cruiser.

Rickover Influence

The Defense Department had thought that the Navy was prepared to accept its proposal but in retrospect Pentagon officials acknowledge that they failed to reckon with Adm. Rickover, the director of the Navy's nuclear power program, and his considerable influence in Congress.

Last year, at Adm. Rickover's suggestion, Congress passed a law specifying that all new major combat ships were to be nuclear-powered unless the President advised Congress that if the Navy is going to invest in new combat ships, it should build the most possible vessels, namely ones with nuclear power and that are not dependent upon increasingly costly and uncertain sources of oil.

The basic argument by Adm. Rickover and his supporters in Congress is that if the Navy is going to invest in new combat ships, it should build the most possible vessels, namely ones with nuclear power and that are not dependent upon increasingly costly and uncertain sources of oil.

On the other side, the Defense Department argues that quality cannot completely substitute for quantity and that the Navy needs a certain number of ships to carry out its role of protecting sea lanes and global protection of naval power. That argument suggests that the Navy could quickly reach the 600-ship level if it built more, relatively inexpensive, conventionally powered ships.

Bad Advice Cited

Reflecting on the Rickover position, Rep. Melvin Price, D-Ill., chairman of the House Armed Services Committee, told Rep. Charles Bennett, D-Ft. Worth, chairman of the House Armed Services Subcommittee on Sea Power, sent letters to Mr. Ford protesting that he was getting bad advice from the Defense Department and that he should follow the congressional mandate by authorizing a nuclear-powered strike cruiser.

Mr. Ford followed the advice of his former congressional colleagues. On June 25, he sent a letter to Congress stating that he was amending his defense budget request to ask for \$60 million to procure for a strike cruiser "long-lead-time procurement items"—namely, parts for the nuclear power plant.

The brief, legally phrased letter was routinely made public by the White House, which did not call attention to the fact that the President was requesting a down payment on a billion-dollar ship. Nor did the White House indicate that the request would significantly increase next year's defense budget.



ANNIVERSARY TAILS—U.S. distribution has begun of new quarters, half-dollars and silver dollars to commemorate the bicentennial. Faces are the same, but on the reverse side of the quarter (left) is colonial drummer; on the half-dollar is Independence Hall in Philadelphia; on the dollar, Liberty Bell and the moon.

## Acquitting Decision by Government

## Vietnam Children in No Man's Land in U.S.

By Greg Waskul

CAMP PENDLETON, Calif., July 7.—While refugees by the thousands are making plans to leave U.S. bases around the world and begin new lives, a group of children here must sit and wait until the U.S. government decides what to do with them.

"We miss our parents, especially after it gets dark," Phan Xuan Hoang, 15, said. "There are many boys and girls crying every night. It is like a chain reaction—one boy cries and others start crying together—especially when they play the Vietnamese music over the loudspeaker."

Phan lived in Saigon with his parents until the Communist offensive threatened the city. His father, an army colonel, paid to get Phan, his only son, to safety. The boy later found himself at Camp Pendleton along with 106 other unaccompanied children, according to Nick Thorpe, a social worker at Camp Pendleton.

Aged 2 to 17.

Some of the children, who range in age from 2 to 17, have waited as long as six weeks to leave the camp. Only four of the children have been reunited with their parents.

The government cannot decide whether to put the remaining unaccompanied children into foster homes or place them through normal adoption procedures. And, unless red tape is cleared and a decision made, there are many children who will remain in the camp for some time to come.

Mr. Thorpe said he thought the situation was so complicated that it could have "a tremendous potential for unhappiness."

"We want to stay away from adoption processes until we are absolutely sure that the child is an orphan," Mr. Thorpe said. He also said that in cases in which parents or blood relatives were found in Cambodia or South Vietnam, the government would decide whether to place the child in a foster home or put him up for adoption.

The Red Cross is conducting camp-to-camp searches for the

parents of the unaccompanied children. So far, they have located four sets of parents, according to Red Cross spokesman Patrick Guilbo.

Mr. Thorpe said he would like children who become separated from their families after they left Vietnam or Cambodia to be sponsored as a group, with the sponsor agreeing to return any child when the parents or blood relatives are found.

Another solution is to have a refugee family take care of a child, with the understanding that the child would be returned to its parents or relatives should they be found.

"We prefer this kind of approach," Mr. Thorpe said. "By the time we get all the refugees out of the Pacific, we will have enough information to be able to check and double-check while the children are still in the camp."

Meanwhile, the children at Camp Pendleton are taking part in recreational and educational programs.

Nurse on Call

There is a Red Cross nurse on call 24 hours a day. Volunteers from the Church of Jesus Christ of Latter-Day Saints (Mormons) have volunteered assistance around the clock for various activities.

The Red Cross described the mental attitude of the unaccompanied children as "good and improving" although Mr. Guilbo concedes that there was "a great deal of instability" when the program began about six weeks ago. But the children are not as enthusiastic about their situation as Mr. Thorpe and Mr. Guilbo are.

Phan arrived in Camp Pendleton May 13 and was told that, since his parents were not at the camp, he would not be able to leave even if he found a sponsor.

A California family, the Leonard Smiths, met Phan at Pendleton and decided to sponsor him shortly thereafter.

"I Am So Young"

"The Smiths wanted to sponsor me," Phan said, "but they were told they could not

because I have no parents here and I am so young."

The Smiths are just as frustrated.

"We were told we could sponsor Phan, so we filled out the necessary forms," Mr. Smith said. "Then they told us we would have to adopt him. So we worked through a Ventura County adoption agency to have our home cleared."

"We have done everything possible to cooperate with the government, but we are still waiting for them to make up their minds how to handle it," he said.

Los Angeles Times.

## Crib Death, Amino Acid Link Studied

MADISON, Wis., July 7 (NTT).

A University of Wisconsin biochemist has suggested a link between crib death and the failure of one of the enzymes the body uses between meals to convert amino acids into sugar.

In the United States, crib death is the leading cause of mortality among infants between one month and one year of age, claiming 10,000 a year. The cause of death is often listed as suffocation. The exact symptoms, as well as underlying causes, have eluded researchers.

Dr. Henry Lardy of the University of Wisconsin's Enzyme Institute reported last month that he and his collaborators at the Cleveland corner's office and at hospitals in Madison and Milwaukee had found abnormally low concentrations of phosphoenolpyruvate carboxykinase (pepck) in liver samples from 87 crib-death victims.

The enzyme is part of the gluconeogenic system, a series of reactions that convert amino acids to sugars to maintain blood sugar concentrations between meals. On the average, Dr. Lardy said, liver samples taken from crib-death victims had only about one sixth the pepck activity of samples from babies who had died from other causes.

Three other enzymes of the gluconeogenic system studied by Dr. Lardy's group were at normal levels in victims of crib death.

Dr. Lardy said that most of the tests had been done "blind," with the pathologist withholding the cause of death until after the enzyme assays had been performed. Dr. Lardy said that experiments with monkeys suggested that pepck activity probably does not change in the liver during the unavoidable 12-hour delay between death and assay.

Dr. Lardy spoke to scientists and physicians attending the first annual workshop on the sudden infant death syndrome sponsored by the National Institutes of Health in Reston, Va.

## Faults Corrected For Apollo Trip

CAPE CANAVERAL, Fla., July 7 (UPI).—Technicians replaced a faulty valve in the Saturn rocket today and partly solved the problem of a leak in astronaut Vance Brand's spacesuit.

Mr. Brand, the mission commander, Brig. Gen. Thomas Stafford and Donald Slayton planned to spend most of the day at the Johnson Space Center in Houston reviewing rules for the U.S.-Soviet space rendezvous mission due to begin June 15 and studying Russian.

Officials here said the faulty valve showed up in tests that followed last week's rehearsal for the countdown of the Apollo-Soyuz mission.

It was during the final rehearsal with the crew in the spacecraft that the oxygen leak in the suit was discovered.

## Kidnap Plot Led to General's Death

## CIA Said to Have Backed '70 Chile Coup Bid

By George Lardner Jr. and William Greider

WASHINGTON, July 7 (UPI).—The CIA encouraged a scheme to trigger a coup in Chile five years ago, but the plot went wrong and resulted in the assassination of Chilean Gen. Rene Schneider, according to informed sources.

Gen. Schneider, commander of the Chilean Army, was fatally wounded on Oct. 22, 1970, two days before the Chilean Congress ratified the election of the late President Salvador Allende, a gang of assassins sought to kidnap Gen. Schneider as he was being driven to his Santiago office, but shot him when it appeared he was trying to draw a gun.

The CIA, it was learned, had Gen. Schneider on what amounted to a worldwide "wanted" list of individuals considered inimical to U.S. interests. But the agency, sources said, did not intend his assassination and did not think he would be killed.

The abortive kidnapping was staged to provide a military takeover and prevent Mr. Allende from assuming the presidency.

Briefing Postponed

U.S. officials have been treating covert CIA operations in Chile as an especially sensitive issue. The White House has not turned over documents on them to the Select Senate Committee on Intelligence Activities. Rather, it has been insisting on providing a briefing, although 25 has been postponed at least once.

The CIA, it was disclosed last autumn, spent \$3 million in Chile to foil Mr. Allende's candidacy in 1964 and \$8 million attempting to block his election and to undermine his government since 1968. A CIA spokesman said the report prepared in September accused Secretary of State Henry Kissinger of having "deceived" the Senate Foreign Relations Committee in sworn testimony on the issue.

According to that report, Mr. Kissinger minimized the CIA's role in the 1970 Chilean election in secret testimony during his confirmation hearings in 1973. The report quoted Mr. Kissinger as saying:

"The CIA was heavily involved in the election, was in a very minor way involved in the 1970 election and since then we have absolutely stayed away from any coups."

A Close Reading

Read closely, Mr. Kissinger's statement did not rule out CIA involvement in a 1970 coup effort, albeit, by his definition, "in a very minor way."

It could not be established whether the CIA provided any concrete assistance, such as money, to those behind the Schneider kidnapping attempt. Sources indicated that the agency expressed its approval and encouragement of the idea. However, whether this encouragement amounted to an implicit directive to go ahead or whether the plotters acted on their own is not known.

Sources agreed that a thorough investigation could provide fresh embarrassment for the CIA and perhaps for others if secret documents—other than those of International Telephone & Telegraph Co., which already are known to have been public—have become public.

A CIA spokesman declined any comment.

Schneider Out

In any case, Gen. Schneider's death evidently was not part of the plot.

According to internal memoranda of ITT, which had more than \$150 million invested in Chile, U.S. interests promoted, but then apparently backed away from, plans for a rightist military coup there in 1970.

A Marxist, Mr. Allende won a narrow plurality in the Chilean national election on Sept. 4, 1970, during the campaign, Gen. Schneider, apparently on his own initiative, declared that the army would respect the decision of the voters. But after the election, extreme rightist elements in the country began advocating military intervention to block Mr. Allende's assumption of the presidency.

The ITT papers, first made public in 1973 by columnist Jack Anderson, stated that about mid-September of 1970, the U.S. government gave "the green light" to the assassination in Santiago "in the name of President Nixon" with "maximum authority" to do all possible, short of a Dominican Republic-type action, to keep Allende from taking power.

(President Lyndon Johnson sent U.S. troops into the Dominican Republic in 1965.)

All Gang-He

A retired Chilean general, Roberto Vial, was described in the same Sept. 17, 1970, ITT memo as "all gang-he" about taking action. But Gen. Schneider was said to have "threatened to have Vial shot if he moves unilaterally."

Outgoing President Salvador Frei was reported in the document to be unwilling to move "unless he is provided with a constitutional threat" justifying intervention. "That threat must

be provided one way or another through provocation," the ITT operatives in Chile declared.

As the weeks went by, Mr. Allende's prospects for final election improved. At one point, according to a summary of secret CIA testimony last year, the National Security Council's "40 Committee," which Mr. Kissinger headed, authorized CIA expenditure of \$250,000 "to bribe the Chilean Congress" but this plan was later discarded as unworkable.

"Grim Development"

After Mr. Allende's inauguration in November, 1970, the ITT papers called the Schneider assassination "a grim development that may greatly strengthen Allende's and the Communist position."

The Chilean president was overthrown in September, 1973, in a bloody coup that resulted in his death.

The Senate committee investigating the CIA is expected to get a White House briefing on the agency's Chilean operations this week.

Connally Sees Active Role In Next Year's Vote Campaign

By Christopher Lydon

INDIANAPOLIS (NTT).—John Connally is back on the political trail, without a map but charged up for the trip wherever it turns. Friends back home in Houston will hold a "Salute to Connally" dinner at the end of this month to raise \$100,000 to help him traveling. Two weeks ago, he addressed the Florida Conservative Union in Orlando Saturday night

he helped 500 young Republicans in convention here to forget their competing "Ford" and "Reagan" placards and brought them cheering to their feet. Next week he will speak to a joint session of the Louisiana Legislature.

"I'm not to be expected to be active in the fall," Mr. Connally declared in an interview here.

His mission, he said, is to preach the toughness and the sacrifice that will be required in a "vastly changing world" of economic scarcity.

2 "Assassinations"

"I figure I'm 58 years old and I've survived, a physical assassination," he said, referring to his bullet wounds in the car with the late President John Kennedy in 1963 and also to his recent trial on bribery charges. "And I feel strongly about a lot of things that are happening and a lot of things that are not happening."

"People sense the change in the world but they don't know it. Politicians are still feeding them the old political pabulum. They treat the American people like children, but the people are months and months, if not years, ahead of their elected leaders. I'm going to try to give voice to what some of their feelings are."

Supports Ford

In the last month Mr. Connally has shifted his stance toward President Ford from wait-and-see "aloofness to qualified endorsement. Such changes come naturally to the onetime protégé of President Lyndon Johnson.

Mr. Connally, who became head of Democrats for "Nixon" in 1972, is a former Texas governor, former Treasury secretary, former Democrat and now a triumphant former defendant in a Watergate-related bribery trial.

Some of Mr. Connally's confidants sense that he sees himself—in the event President Ford chooses to replace Vice-President Rockefeller on the 1976 ticket—as a more comfortable alternative than California's Gov. Ronald Reagan.

Climber Dies in Pakistan

ISLAMABAD, July 7 (Reuters).—A French climber died of exhaustion near the summit of 29,300-foot-high Gasherbrum-2, one of Pakistan's highest mountains, French Embassy officials said yesterday.

Obviously, there were foreign policy considerations, Mr. Nesen said—although he also repeated an explanation made last week that the President could not find the time to meet Mr. Solzhenitsyn.

Sen. Jesse Helms, D-N.C., today criticized President Ford for not meeting with Mr. Solzhenitsyn.

Sen. Helms said in a Senate speech that Mr. Ford decided not to meet with the Soviet writer after White House advisers warned that such a meeting would offend the Soviet Union.

"This country has come to a sad impasse when the United States of America must tremble in timidity and refuse to see a man dedicated to freedom," Sen. Helms said.

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## The Global Urban Problem

As one of the world's largest cities and the greatest urban center in the United States, New York's fiscal problems and their mismanagement on almost every level are news. But the roots of those problems and the effects of similar mismanagement are common to all American cities, as the National Conference of Mayors has made clear. Moreover, in many respects the difficulties of the cities constitute a major concern, the world around.

Philosophers, moralists and anthropologists have devoted many words to contrasting urban and rural styles of life and standards of conduct—often contradicting one another. The city is the source of culture and political organization; the country is the place of clean and simple living. Towns are sources of decadence, farms and grazing lands of boredom and backwardness. But there are drives within the human spirit, and results of technological change, that refuse to be found or fired by the teachings of learned men. Since World War II, the world's cities have grown at astounding rates and with confounding effects.

Whether it is because the cities offer more excitement to the young, or more opportunities to their elders as population growth or new methods of agriculture reduce the rewards of farming; whether it is the growth of industry or the uprootings of war, urban areas on every continent have grown excessively. One can see it in shacks on the edges of Indian cities, crowds in African bazaars—or high-rise apartments in provincial French suburbs or around Paris. And with these con-

centrations of humanity come highly charged dangers—of crime and disease, or poverty that might be easier to bear in farm country than on macadamized streets.

It is by no means simply a coincidence that guerrilla warfare, which once was largely manifested only in rural terrains, has now centered on the cities. Nor is it strange that financing city management, once relatively easy for centers of wealth that assumed little responsibility for their citizenry, has now become a thing of acute concern.

Cambodia and, to a more moderate extent, China, have sought to solve these issues by simply moving city people back on the land. Nations that are more technologically advanced have distributed factories—now that both material and manpower are more mobile—through the countryside. But this has had at least one counter-productive effect: The central city is deprived of sources of revenue and work, while retaining large numbers of people who must be fed, housed and served. And in the United States, at least, this has brought many cities to crisis point.

To what extent this is a local problem, one for the state or one for the nation, is a matter of urgency in America now—as well as in many other countries. That the sudden growth of the cities may be reversed, and institutions adapted to the reversal, is more than likely. But to meet the immediate needs, as well as to sweep up the debris that will be left behind, without severely damaging cultural, educational and political institutions, is a major challenge to statesmanship.

## Mexico City Meeting...

Behind the rhetoric that flowed so abundantly at the United Nations Conference on Women in Mexico City, two very different sets of perceptions and priorities were seen in conflict.

One, held by the majority of delegates who represented the greater part of humanity that lives on per capita annual incomes of \$50 to \$500 a year, saw the central problem of women as well as of men in the unequal distribution of the world's income. This majority has as its top priority the call for "a new international economic order" in which present inequalities will be reduced or eliminated by making today's rich poorer and today's poor richer.

The conference minority, dominated by the feminist movement of the advanced industrial countries, saw the central problem of women as that of attaining full legal, economic, social and political equality with men. Leaders of the women's rights movements in this country, for example, dream of the day when Harvard Medical School will have equal numbers of male and female students. Their colleagues from India, Bolivia and Chad can still only conjecture about when the distant day will come that every citizen of their countries will enjoy elementary literacy.

In these circumstances it is not surprising that the 10-year "plan" adopted in Mexico City is basically relevant to the problems of

the developing countries, although it includes generalities of universal application. Helvi Sipilä of Finland, the conference's secretary-general, said "I don't find very much" in the plan that has much importance for Finnish women, while Miriam Dell of New Zealand went further, assailing the plan as one under which "women will become more effective cogs in a man-made machine."

It is indicative of the dominant spirit at Mexico City that the American delegation got nowhere with its efforts to include a condemnation of sexism or to incorporate language asserting the right of women to control their own bodies. The American women in Mexico City were in one sense too radical for the more development-minded and less feminist delegates from Africa, Asia and Latin America.

One of the most important functions of Mexico City was that it brought about a meeting of these two worlds of women, and helped educate each group about the most fundamental concerns and priorities of the other. Although destructive and totally irrelevant political overtones—notably the Arab-inspired attack on Israel—severely damaged the persuasive impact of the conference, its essential recommendations (in the "plan") set a standard for human society. The problem still ahead is to achieve its realization.

## ...Danish Example

When Denmark joined Israel and the United States in voting against the so-called "Declaration of Mexico" (as distinct from the "Plan" adopted in Mexico City) because of its deliberately provocative political implications, the small Scandinavian country raised its voice for what it considered right, even though it has virtually no Jewish constituency of its own.

This latest demonstration of decency is in line with the character of the Danish people that guided their actions during World War II, when they defied the Nazis and did much to save the lives of their small Jewish population. It stands in contrast to the majority's acquiescence in the unprincipled political maneuvers which cheapened the proceedings in Mexico City.

THE NEW YORK TIMES.

## Portuguese Syndicalism

The Portuguese Communist party—one of the most Stalinist and loyally pro-Soviet groups in the world—enjoys influence far disproportionate to the small share of the popular vote it won in the recent election. It is much better organized than other rival groups and has the material, financial and political power of the Soviet Union behind it.

But the Communist party of Portugal still has competition on both flanks, from more moderate groups like the Socialists and from ultra-leftists of Maoist and other persuasions. Most important, it does not yet control the armed forces, though several key military-political figures are clearly working closely with it.

One of the most interesting features of the Portuguese political scene is the appearance of syndicalism—the movement for workers' control of all economic enterprises. It is in the name of workers' control that the Social-

ist newspaper Republica was closed to its reporters and editors; and it is the same slogan that was used to justify the seizure of a Catholic radio station by its leftist technicians.

For the moment, both the Communist party and its more leftist rivals are competing to appear the prime sponsors of this new syndicalism. But everyone familiar with the history of the Soviet Union and the satellite Soviet states knows that workers' control is not what contemporary orthodox Communism represents.

In Moscow and in Prague, in East Berlin and in Pyongyang, the workers in all enterprises do what they are told by the directors of the vast state monopolies that direct all economic life in these countries. For orthodox Communists in Portugal and everywhere else, workers' control is only a convenient slogan to mislead the masses while the Communist monopoly of power is being put into place.

THE NEW YORK TIMES.

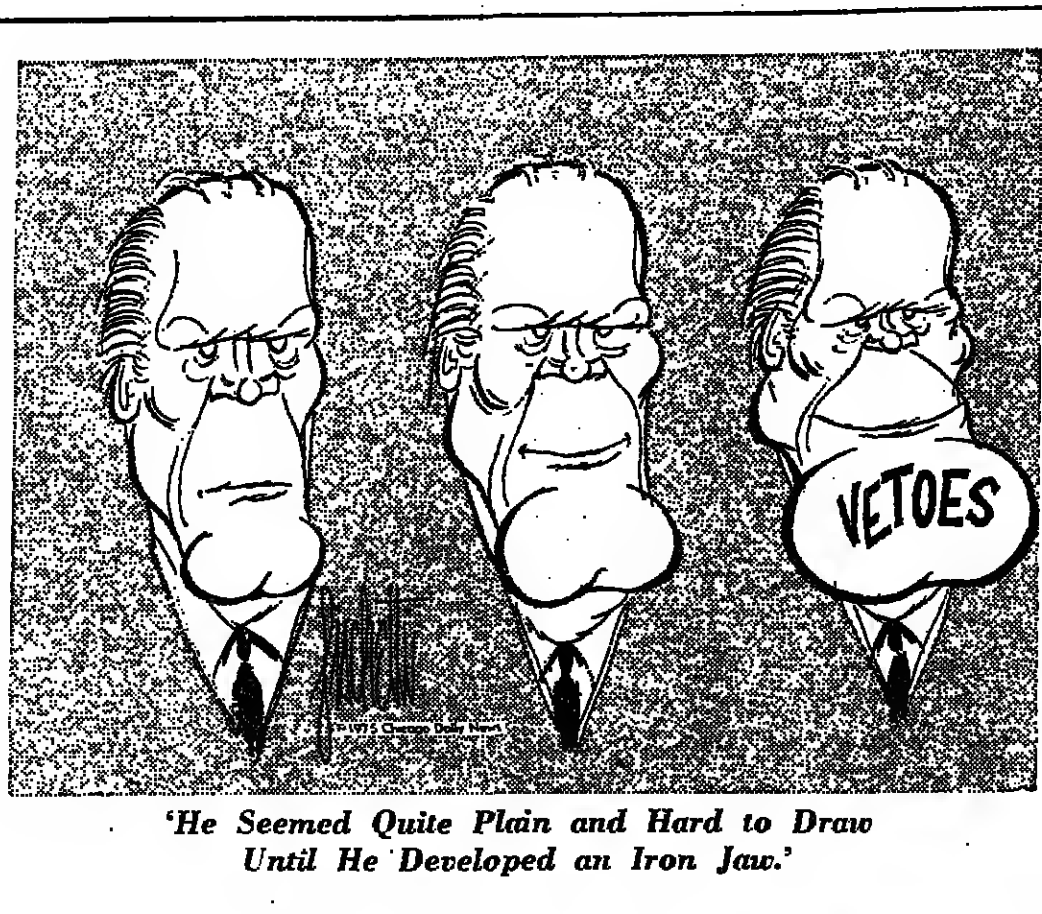
## In the International Edition

Seventy-Five Years Ago

Fifty Years Ago

July 8, 1900  
PARIS—The inauguration of the Paris Metro-politan Railway, which was to have taken place today, has been unavoidably postponed at the last moment. The committee appointed to inspect the line before acceptance only began its work yesterday, and will require at least another week. The Eguero declares, however, that trains will be running by July 14th at the latest.

July 8, 1925  
DANTON Tenn.—Despite the learned protests of Boudridge Colby, former secretary of state, and Clarence Darrow, noted Chicago trial lawyer, that the "monkey trial" should be held elsewhere than here on the ground that the town's preparations are "undignified and vulgar," Prof. John T. Scopes, a high school teacher, will appear before judge and jury on Friday next.



'He Seemed Quite Plain and Hard to Draw Until He Developed an Iron Jaw.'

## And Now the Good News

By Anthony Lewis

LONDON—The following story and its headline, reprinted in its entirety, appeared recently on page one of the Cambridge (England) Evening News:

'Help Rat' Plea to Police  
A "mercy" plea went out today after a rat was seen crashing into things in Burying Street with a yogurt tub wedged over its head. "Please put it out of its misery," was the call from an anxious lady. And the police comment: "Cor. The things we have to do!" A dog and handler went to investigate, but the rat had stumbled off and disappeared.

The world changes, but some things do remain reassuringly the same. The traveler in search of a nostalgic interlude in an accelerating life can still find it here. Economic strain and class bitterness notwithstanding, in the sense of the recent and the individual there will always be an England.

At the Aldeburgh Festival, Penelope Chetwode (Lady Betsman) gave an illustrated lecture on the subject: Pony-trekking in search of Himalayan temples. Miss Chetwode began riding through the Himalayas when her father, the late Field Marshal Lord Chetwode, was commander in chief in India. She is a lady in her 60s, firm with manner and matter. Her remarks evoked much sympathetic laughter in the audience, but she never smiled.

"You may not have a bath," she said at one point, "but you get your legs massaged by your hostess." Her slide showed a small farmhouse, perched on a hill where her trekking group spent the night.

In another farmhouse "a large hand came out of the rafters. It was a hippie with a mane and matted hair. Her remarks evoked much sympathetic laughter in the audience, but she never smiled.

### Brief Day

Listening to Miss Chetwode in that Victorian hall on the beachfront in Aldeburgh, one might have thought that nothing had changed since Victoria—that there was still an empire. No, that is unfair. She is just a particularly admirable example of the character—taking whatever comes as part of life's variety—that let this small island have its brief day to the sun.

Aldeburgh itself is an example of change underneath an unchanging surface. On the outskirts of the village, farmworkers still ride a bicycle to the farm every morning, sandwiches in a pack on the back, cloth cap above. The fishermen sell their catch of crabs and sole and the occasional lobster from huts on the shingle beach. The extraordinarily deep rural accent of East Suffolk has resisted BBC uniformity.

But the festival is a long way from pre-war England. Benjamin Britten has attracted musicians of world class to Aldeburgh. This year there was Sviatoslav Richter playing Beethoven in the great

church at Blythburgh, and the American pianist Murray Perahia bringing Schumann to amazing life. What is the same, reassuringly the same, is the setting: The stone churches, the rivers, the view across the marshes to the North Sea.

"Thanking you," the receptionist said in sing-song as I registered at the hotel. Unchanged. Then a BBC announcer late at night apologized because he had inadvertently given the sign-off message before an added program that night, a debate between two politicians. "I shan't say good night again," he said later, after four or five more apologies. "And so I shall just say—good night."

### Loss of Power

The British, or some of them, talk regretfully about their loss of power in the world. They do not know how well off they are.

How wonderful it must be to know that your country has not, lately, bombed another back into the Stone Age. How pleasant not to have to worry, if a British ship is seized by some revolutionary state that your government will send B-52s to teach the wogs a lesson. How good for the digestion not to have a foreign secretary who may be responsible for more deaths than any other official in the world—and who solemnly deplores cruelty by governments he opposes.

Well, the point of nostalgia is to forget about unpleasant realities. So enjoy the evening newspaper headline, "Soccer Madness." Luxuriate in the talent of British journalists for finding policemen who say "Cor." And remember the tape on the British Airways plane—Alan Bennett, as the nasal minister in "Beyond the Fringe," intoning: "Roll back the lid on the sardine tin of life."

## What's Going On?

By Tom Wicker

WASHINGTON—What is going on among the Ford administration's arms strategists who on the one hand appear to be pursuing strategic arms limitation with the Soviet Union but on the other are doing some saber-rattling both as to the use and the size of American nuclear forces?

Just last week, Secretary of Defense James R. Schlesinger questioned what most Americans had supposed was the U.S. determination not to be first to use nuclear weapons against another country. He was quoted by The Washington Post as having said at a breakfast with reporters: "First use could conceivably—let me underscore conceivably—involve what we define as strategic forces and possibly, possibly—undoubtedly—involve a selective strike at the Soviet Union. We do not necessarily exclude that, but it is indeed a very, very low probability."

This followed Mr. Schlesinger's testimony to Congress, made public on May 29, that to avoid defeat in Europe by a conventional attack from Warsaw Pact forces, the United States might authorize first use of some of the 7,000 battlefield "tactical" nuclear warheads it has provided for NATO forces. This might be necessary even if the attackers had not used nuclear weapons. Mr. Schlesinger said, and added that "the (nuclear) attack should be delivered with sufficient shock and decisiveness to forcibly change the perceptions of Warsaw Pact leaders and create a situation conducive to negotiations."

### 'Firebreak'

At the breakfast session last week, he was asked about the wide-spread view—held, for example, by Gerard C. Smith, the former American arms negotiator—that such "tactical" battlefield use of nuclear weapons was bound to breach the "firebreak" and lead to all-out nuclear warfare. He replied:

"The notion that a nuclear

firebreak, if ever breached, must inevitably lead to escalation to the top has been supported neither in U.S. military planning, nor doctrine, nor policy statements."

Mr. Schlesinger also has been flaunting his nuclear weapons at Asia. In a news conference on June 20, he said the United States retained the option to use such weapons or introduce more ground troops in the event North Korea invaded South Korea. He also confirmed for the first time that the United States had tactical nuclear warheads in South Korea. Not unnaturally, the North Koreans promptly accused Mr. Schlesinger of "nuclear blackmail."

Helen Thomas of United Press International then put the question to President Ford at his news conference on June 20—did the United States still disavow first use of nuclear weapons?

"Well, the United States still has the policy that means that we have the maximum flexibility for the determination of what is in our own national interest," Mr. Ford replied. "I don't think it's appropriate for me to discuss in a press conference what our utilization will be of our tactical or strategic weapons. This is a matter that has to be determined if and when there are any requirements for our national interest."

That has the effect of supporting Mr. Schlesinger's statements. Still, all this might be viewed as mostly chest-thumping in the wake of defeat in Southeast Asia and in view of the real possibility of North Korea seizing the moment to move against South Korea. But that leaves out of account the practical changes Mr. Schlesinger has introduced into the American nuclear force.

Simply stated, he has shifted part of the land-based missile force with its multiple warheads to a "counter force" role: that means they are targeted on Soviet cities. Last February, the Pentagon proposed also to develop such "counter force" ability for the Trident-2 submarine-based missile. The submarine nuclear force had previously been considered too inaccurate to be aimed at anything smaller than a city.

### Denial

Mr. Schlesinger denies it, but to others these moves appear to be steps toward a so-called "first strike" capability that would permit the United States to knock out the Soviet missile force before it could be launched.

Mr. Schlesinger also has announced plans to expand U.S. nuclear forces from 2,188 strategic delivery vehicles to 2,490, and from 1,100 missiles with multiple warheads to 1,320, the upper limit is agreed upon at Vladivostok. He says that both the shift to "counter force" targeting and the expanded missile forces are in response to a continuing Soviet nuclear buildup.

But how much might the Soviet buildup actually be in response to ours, in the deadliest of all games of leapfrog?

John Dornberg

From Munich:

The Baader-Meinhof case is not likely to shine as an example of a democratic state's impartial response to the challenge of anarchy.

MUNICH—Nearly seven weeks and 12 tempestuous courtroom sessions since it convened in Stuttgart, the Baader-Meinhof terrorist trial remains bogged down in legal preliminaries.

The prediction that the mammoth proceeding with its anticipated 1,000 witnesses would last at least one year, possibly two, now seems a conservative estimate.

The defense has filed, and holds in reserve, a catalogue of motions likely to delay the opening of the prosecution case and the presentation of evidence for many more weeks, if not months, to come.

Yet several conclusions can already be drawn about this case which, if one excludes those of Nazi criminals—is West Germany's first major political trial since the Third Reich.

The case is certain to leave an indelible mark on West Germany's future history and political development. As a test of postwar democracy or demonstration of the West German adherence to the principle of the rule of law, the initial sessions and to a greater degree some of the events outside the tightly guarded courthouse, have revealed a wide gap between promise and reality.

Moreover, the case is not likely to shine as an example of a democratic state's well-tempered, impartial response to the dangerous challenge of anarchy and violence.

Quite the contrary.

Fortunately, some of the law and order hysteria in which the trial convened in May—after the assault on the West German Embassy in Stockholm and the abduction of Berlin's Christian Democratic leader Peter Lorenz—has subsided.

### Thin Atmosphere

But the whole Baader-Meinhof prosecution has been unfolding in a historically thin atmosphere of due process and equal justice which has been pungently polluted by the trauma and reverberations of terrorism.

To a degree the principal defendants themselves—Andreas Baader, Ulrike Meinhof and Gudrun Ensslin—share the blame. Insofar as they attempted to justify their violent rampage against the institutions and social order of West German democracy, they did so by equating the federal republic with quasi-fascism and portraying its laws, courts and governmental establishments as instruments of capitalist repression.

They are far from that, of course.

### Original Aims

But whatever the original aims and intentions of Baader, Meinhof and Ensslin when they unleashed the wave of political violence of which they stand accused, they have succeeded in turning back the clock in West Germany. Indeed, they have succeeded in reawakening some of that police state mentality still latent especially among the older generation, which has always made the post-war German edifice of legality and tolerance appear jerry-built and fragile.

The government's efforts to meet the challenge of terrorism, the Justice Ministry's and solicitor general's attempts to prosecute them and their alleged co-conspirators and sympathizers, and presiding Judge Theodor Prinz's conduct of the Stuttgart trial seem to have awakened—lo paraphrase Goethe—two souls sleeping in the West German breast.

One screams "Off with their heads," and be quick about it. The other warns of the dangers of judicial overkill, or as the prestigious weekly Die Zeit said last Friday, the danger that "due process" itself is being put on trial.

### Disturbing

Most disturbing for observers raised on a strong diet of Anglo-Saxon judicial principles, or what one might call "self-evident truths" and "inalienable rights," is the degree to which the law itself has been bent, as the laws passed, and applied retroactively. This holds not only for the effort to quell terrorism in general but for the prosecution of this case in particular.

Traditionally the judiciary in

West Germany has been a professional reserve of conservatives—ultra and moderately so.

Of all spheres of public life, it underwent the least change and reform after the war.

Of course, those judges, prosecutors and attorneys outrightly culpable in the crimes of Nazism have meanwhile been involuntarily retired.

But the mood and intellectual climate of the profession remains ossified and embalmed in a bygone era when Disziplin über alles was a national leitmotif.

The incursion of liberals and left-wingers into the sacred halls of the law has been regarded as a challenge to authority, and the Baader-Meinhof cases are providing an opportunity to finish them off.

### Rights Curtailed

In the process, the defendants' rights to counsel, especially Baader's, have been curtailed since the start of the Stuttgart trial. By ex-post facto application of a new law enacted last January, he was deprived of all his attorneys-of-choice on grounds that they were co-conspirators or abused their standing and professional privileges by serving as communications links between him and other members and supporters of the self-styled underground Red Army faction.

Baader entered the courtroom represented only by government-appointed counsel, whom he rejected.

The long recess in the trial last month was to give him an opportunity to choose a new lawyer.

—Hans-Heinz Heldmann.

Totally new to the case, Heldmann asked for a 10-day postponement to prepare himself and study at least some of the 50,000 pages that constitute the prosecution dossier. The government has been amassing during a three-year investigation Judge Prinzling not only denied the request, but Heldmann has been denied copies of the material on grounds that "more are not available."

He has to use those in the possession of Baader's disqualified attorneys and the lawyers of the other defendants.

### Raid

Two weeks ago, in a carefully orchestrated move by the government's new anti-terrorist squad, the offices of four of those attorneys in Hamburg, Berlin, Heidelberg and Stuttgart were raided. Files of defense materials were confiscated and two of Baader's former counsel, Klaus Crohn and Hans-Christian Stroheck, were arrested on charges of "supporting" an anarchistic criminal organization "influencing" prison hunger strikes and "soliciting sympathy for the anarchists."

The raids—which extended to the homes of the lawyers' employees and relatives—were a ugly display of police machine gun and the confiscation of "suspicious" books from the private library of one attorney.

In Stuttgart agents even listened to dictaphone tapes between Gudrun Ensslin and Ulrike Meinhof, lawyers which spelled out courtroom strategy for motions that have not even been filed.

Eighteen hours after the police action, Heinz Wunder, the chief prosecutor in the Stuttgart trial, stood up in court and notified denied either complexity or pre-knowledge on the part of the solicitor general's office.

### Crates of Papers

But in the same breath he said the raids had been ordered for a "recess day" in the trial and insisted that "no defense materials" had been taken. Now, asked the conservative Frankfurter Allgemeine Zeitung, could Wunder know, in view of the crates upon crates of papers moved from the lawyers' offices? The gravity of the charges against the terrorists leaves little room for sympathy for them. But as the trial has been unfolding, one does find oneself sympathizing with the as-yet frail flower of West German justice and democracy which is being trampled underfoot in the process. The trial is still in its preliminary stages, but one can already predict, with sadness, that when it is finished, West Germany will not be quite the same.



## News Analysis

## Turkey Pulled by West, Past Glory

By Steven V. Roberts

ANKARA (NYT)—An old saying is heard frequently these days: "A Turk will burn up his blanket to kill a flea." In other words, if a Turk's pride is offended, he can react with great fury, even if he winds up hurting himself.

Accordingly, many moderates here insist that if the U.S. Congress does not lift the arms embargo against Turkey, the governments will burn its blanket by retaliating against U.S. military installations.

"After a certain time we stop calculating," Turkish diplomat warned. "It is a tradition in Turkey."

Bluster is unavoidable in this part of the world and some of it is certainly designed to put pressure on Congress. But there is a core of truth behind it that tells something about this country, which is going through a serious identity crisis.

Two Principles  
When Kemal Ataturk created the modern Turkish Republic on the ruins of the Ottoman Empire after World War I, he based his vision on two principles: That Turkey would become a Western, secular state and that it would stay within its new borders and not revive dreams of conquest.

Ataturk's successors have remained remarkably loyal to that vision, but the transformation of the nation is far from complete. Tradition still influences Turkish life and character, as evidenced in the reaction to the Cyprus crisis last year and to the ensuing arms embargo.

One of Turkey's most urbane politicians was chatting amiably over lunch when he suddenly snapped: "We've found that doesn't pay, especially in relations with the United States. We were so loyal to the United States, we never criticized any of your actions, not even in Southeast Asia, and look what you did to us. But Egypt, which

was a colony of Turkey for centuries—you think it's so important that President Ford goes all the way to Salzburg to meet Sadat." That reference to Egypt revealed, if only fleetingly, some gnawing memories of lost greatness.

When Premier Suleyman Demirel was asked recently about policy toward the Greek islands in the Aegean Sea he jumped to his feet, pointed to a large wall map and exclaimed: "Those islands never belonged to Greece in history! They never had those islands! Those islands, all of them, belonged to the Ottoman Empire until 1911. They came and took those islands!"

Korean War  
The politician who became testy at lunch was also expressing Turkey's belief that loyalty to the West had not been reciprocated. It is virtually impossible to have a conversation here without someone's mentioning the Turkish decision to fight alongside U.S. troops in Korea. "When we fought in Korea," the diplomat explained, "we wanted to show how attached we were to Western democracy and ideals."

A professor, well-known for his leftist views, termed his country pathetic and explained: "We always wanted to belong to the West more than you wanted to accept us." The answer, he mused, is for Turkey to give up dreams of Westernization and become part of the Third World.

All such feelings come together on Cyprus. The Turks believe that the Christian West never cared about the sufferings of the Turkish Cypriots, a small Moslem minority.

The temptation to act was overwhelming and the Turks refuse to understand why other countries raised objections. When the invasion was over, a journalist seemed to express the national mood when he exclaimed: "At last, we did what we should have done 10 years ago." A conservative banker added that "many countries think we've gone down but now we're feeling strong

Germany Gaining Reputation For Stinginess on EEC Funds  
BRUSSELS (NYT)—West Germany, which is the Common Market's richest country, has gained the reputation among diplomats from its eight partners as the stingiest.

Because of a rising budget deficit in Bonn, the West Germans have been increasingly reserved about putting up funds for Common Market projects.

"Every issue now becomes a fight between Germany and the others over money," an EEC official in Brussels said.

With the British referendum out of the way and the French policy on European cooperation considerably softened after a year with Valéry Giscard d'Estaing at the helm in Paris, the Germans have been looked on as villains when the nine-member community talks to agree on joint programs.

Chancellor Helmut Schmidt, who is seen by other West Europeans as a tough leader interested mainly in national economic problems, has reinforced that image, especially following the chancellorship of the more European-minded Willy Brandt, who quit in May of last year.

Mr. Schmidt represents a new

Hardliners Seen Gaining Influence Inside Pathet Lao  
VIENTIANE, Laos, July 7 (AP)—The travel plans of three Pathet Lao ministers have led Western observers here to believe that the influence of hardliners will grow in the leadership of the pro-Communist Pathet Lao.

"It's the beginning of the changing of the old guard," a Western diplomat said.

Phoumi Vongvichit, Pathet Lao Deputy Premier and foreign minister of the Laotian coalition government, left the country today with his wife. He said that he was going to Hanoi and Peking for medical treatment. Mr. Phoumi was replaced by Gen. Phoume Sipraseth, a hard-line Communist.

Trips are also planned by the Pathet Lao information minister, Souk Vongsak, and the economy minister, Souk Pethrasay.

Reliable sources said that hard-line Pathet Lao officials probably will take over the posts of the departing ministers. Mr. Souk is to go abroad for medical treatment while Mr. Souk is planning to take a vacation in the Pathet Lao zone.

2 Churches Back Male Priesthood  
VATICAN CITY, July 7 (AP)—Roman Catholic and Russian Orthodox churches have reaffirmed their opposition to the ordination of women as priests. A joint communiqué announced today.

The communiqué was issued by the Vatican after leaders of both churches, including Metropolitan Nikodim of Leningrad, met in Trent in northern Italy.

"The traditional teaching of the two churches limiting priest-ordination to men only was reaffirmed" in the meetings, the communiqué said.



Otto Skorzeny

## In Waging Ideological War

## Mozambique Gives Priority To Issues on Domestic Front

By Charles Mohr

LOURENCO MARQUES, Mozambique (NYT)—The new rulers of Mozambique have promised to wage ideological war not only on conservative and capitalist ideas but also on the superstitions, inertia and negative aspects of traditional African tribal life.

The Mozambique Liberation Front, popularly known as Frelimo, appeared to place priority on domestic problems rather than on foreign policy as it assumed power June 25 in this former Portuguese colony in Eastern Africa.

This contrasts with the record of some other African leaders who have put heavy emphasis on international affairs and image as an almost escapist way of avoiding intractable domestic problems.

Frelimo is a strongly Marxist party and evidently intends to reshape Mozambique along Communist lines. But it clearly believes that the transformation must be done on a careful, step-by-step basis.

'Great Difficulties'  
"We need to be conscious of the great difficulties we shall have to face," Samora Machel, said in a recent speech.

"In the phase of people's democracy in which we are now engaged as a phase of the Mozambique revolutionary process, our aim is to lay the material, ideological, administrative and social foundations of our state," he added.

Mr. Machel, 41, who directed the long guerrilla war against Portugal, said the colonial administrative machinery he had inherited "is in its nature, composition and methods, a profoundly retrograde and reactionary structure which has to be completely revolutionized in order to put it at the service of the masses."

'Fertile Mentality'  
He warned that there were other "realities we also need to be profoundly conscious of," including the fact that "we are winning political power but do not yet have economic power." Mr. Machel also pointed out a special problem that the new regime faces, what he called "the feudal, traditional mentality which is predominant in the rural areas."

Mr. Machel said the first great task of the party, which has asserted a superior authority over the new government, is to carry out "an ideological offensive" against such traditional African conservatism as well as "the colonial and capitalist mentality which is deeply rooted in the urban areas."

The report of a party meeting held in February in the town of Macouta gave more specific guidelines for the ideological offensive that is to be carried out in so-called "dynamic groups," which Frelimo has organized at places of work and in neighborhoods throughout the country.

The Macouta report called for

efforts to eradicate some aspects of traditional African life that would impede the creation of a new Socialist state but it called for more lenient treatment for that sort of error than for modern ideological heresies.

The report said that the party should make a distinction between "a faulty idea which may be corrected" and "a planned maneuver or fully conscious deviation."

Examples of the first were given as "superstition, witchcraft and polygamy." An example of a full deviation was "those who support the reconciliation of opposing ideologies."

The Macouta meeting resolved that all citizens "compromised with capitalism" or in the past associated with either the colonial regime or rival black nationalist parties must be made and from Frelimo and the dynamic groups. Others to be excluded included persons guilty of tribalism, racism, regionalism, encouraging strikes or "easy profits."

Arrogance of Power  
Among the deviations listed were arrogance of power, the concept of self-importance, demagoguery in the use of ideology, conscious misinterpretations of the party line, encouragement of favoritism "and all any form of exploitation."

The party has also complained of prostitution, which was formerly widespread in Mozambique, and has promised to wipe it out. Considerable progress in this field has already been made and the squalid "sin street" near this capital's waterfront is now dark and quiet. But prostitutes still operate quietly, some residents said.

Frelimo has also placed heavy emphasis on women's liberation—more so than any other African political movement. The party has called for the abolition of the traditional "bride price" paid by the bridegroom's family or any other form of economic transaction connected with marriage.

However, the party warns that authentic female liberation does not lie in escape from household tasks or a better standard of living but rather in full participation in the party's efforts to transform Mozambique completely.

## Ecologists to Harass Soviet Whale Ships

SAN FRANCISCO, July 7 (AP)—A fishing boat with a crew of 14 ecologists left here yesterday to pursue and harass Russian whalers.

The 80-foot Phyllis Cormack, of the Canadian Greenpeace Foundation, is supported by various individuals and ecology groups, including Project Jonah, Friends of the Earth and the Oceanic Society.

## Otto Skorzeny, SS Daredevil, Noted for Mussolini Rescue

MADRID, July 7 (AP)—Otto Skorzeny, 67, the World War II Nazi daredevil whose spectacular feat was rescuing Benito Mussolini from a mountain-top prison, died here Saturday of bronchial cancer.

The Austrian-born former SS colonel had lived quietly in Spain for more than 20 years, engaging in a variety of business enterprises, including an apparently prosperous export-import business, real estate and engineering. At one point, he reportedly held an interest in a charter airline running supplies to Spain and he was accredited by the Spanish government as a correspondent for rightist West German newspapers. He published his memoirs last year.

He was acquitted by an Allied war crimes court at Dachau in 1947 and transferred to a German internment camp at Darmstadt to await trial by a de-Nazification court, which could have sentenced him to up to 10 years. In 1948, he escaped from the camp and two years later he escaped capture in Paris, where he apparently had been living under assumed names.

Col. Skorzeny seemed to have no regrets about his wartime activities. After being struck by a former French Resistance fighter in a television studio in Paris in February, he was quoted by a Spanish newspaper as saying: "I am proud to have faithfully served my country and the Führer, who was elected by the German people with an overwhelming majority."

He added: "The only thing I lament is that all Europe—and not only Germany—is divided and torn by those powers that I had the honor of fighting."

Glider Raid  
Col. Skorzeny, who was 6 feet 4 inches tall and had a large scar on his face, a memento of student days, first came to prominent attention in 1943 when, after service on the Eastern front, he was chosen by Hitler to lead a daring glider raid on a small plateau on Gran Sasso peak in the Abruzzi mountains, where Mussolini was being held captive in a hotel. The Duke was being held by Italians loyal to King Umberto, who was planning to seek an armistice.

He managed to fly the former dictator to safety, although their small plane almost crashed on take-off.

Nearly a year later, he went to Budapest, posing at first as an Austrian tourist. He then led a unit of troops in capturing the Hungarian leader, Admiral Horthy, thus keeping Hungary in the war on the German side.

In December, 1944, Col. Skorzeny was put at the head of specially chosen commandos to infiltrate the Allied lines in France. They were to create confusion as the German war machine launched a desperate offensive in the Ardennes.

Behind the Lines  
The group was chosen for its knowledge of American slang. Its members wore U.S. uniforms, carried Allied equipment and succeeded for a while in passing useful information back to their headquarters as well as destroying bridges and blowing up ammunition dumps.

Had Col. Skorzeny been captured, he probably would have been shot as a spy. But he got away, adding to the legend that caused British Gen. Sir Brian Horrocks to dub him "the most famous cloak and dagger figure of the whole war." It was for this exploit that he later faced war-crimes charges.

Even after the war, stories continued about his exploits with the Russians suggesting that at one time he was being trained to assassinate Winston Churchill and Stalin.

After the war his name was periodically associated with various activities. He repeatedly denied reports from Jerusalem that he had organized an underground escape route for former Nazis and reports by an Italian magazine that he had been consultant

## Obituaries

## Eugenio Lopez Sr.

SAN FRANCISCO, July 7 (AP)—Eugenio Lopez Sr., 74, self-exiled former industrial, broadcasting and publishing magnate in the Philippines and strong critic of President Ferdinand Marcos, died here yesterday of cancer.

Mr. Lopez owned the Manila Chronicle and Chronicle Broadcasting Network, the largest television network in the Philippines. His son, Eugenio Lopez Jr., has been under arrest in the Philippines since 1972, accused of conspiring to assassinate President Marcos. His brother Fernando was vice-president of the Philippines until martial law was declared by Mr. Marcos in 1972.

## Baroness Stocks

LONDON, July 7 (AP)—Baroness Stocks, 83, a suffragette who fought for women's right to vote when she was 16, died yesterday, her family said.

Mary Stocks, economist, educationist, social worker, playwright, member of many government commissions and a popular broadcaster, was given a life peerage by Prime Minister Harold Wilson in 1966. Last year she quit the Labor party, saying that Mr. Wilson's policies were leading to government by labor unions.

## U.K. Labor Party Sends Group to EEC Parliament

STRASBOURG, July 7 (AP)—Michael Stewart, Britain's former foreign secretary, arrived today at the head of the first delegation from the British Labor party to attend a meeting of the European Parliament.

In the 2 1/2 years that Britain has been a member of the Common Market, the Labor party has boycotted meetings of the Parliament. The Conservative and Liberal parties have always sent representatives. The Labor party changed its mind after Ericsons voted 240-1 on June 6 to stay in the community.

Mr. Stewart said his group intends to contribute a distinctively British approach, both in procedure and in solving concrete problems. Asked about a proposal before the European Parliament to integrate the nine member countries more closely into a "European union," Mr. Stewart said there was a movement afoot to delay the project and it would be wise not to vote on it until September.

## Vatican Reports On Cooperation With Protestants

VATICAN CITY, July 7 (AP)—The Catholic Church is collaborating with other Christian churches to help "the increasing number of people becoming casualties" of modern society, the Vatican said today.

The Vatican made public a 30-page document approved by Pope Paul VI dealing with cooperation between Catholics and Protestants. It was sent in February to all Catholic bishops to provide guidelines for collaboration with Protestant churches at local, regional and national levels.

The document issued by the Vatican Secretariat for the Promotion of Christian Unity said Catholics and Protestants are working together in Bible study, prayer and worship, pastoral care, communications media, national and international emergencies and relief of human need.

"As the pressures of contemporary life, especially in great cities, become more intense. Christians are aware of their urgent responsibility to minister to the increasing number of people who become casualties of society," the document said.

In many places, he said, Catholics are joining with other churches and religious communities to provide services for people with pressing personal problems, whether material, moral or psychological.

## Detective Dies, 2 Hurt In Ulster Bomb Trap

BELFAST, July 7 (UPI)—A booby-trap bomb today killed a detective and seriously injured his colleagues and a school caretaker in Lurgan, 40 miles west of Belfast.

The detective was the fourth policeman killed in Northern Ireland this year and the 54th police fatality in the province during six years of violence between Protestants and Catholics.

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## Youth Dies in Fall at Pamplona's Bull Running



Bulls chase youths through the streets of Pamplona.

PAMPLONA, Spain, July 7 (UPI)—Hundreds of aficionados "ran the bulls" in the Fiesta of San Fermín today and only four of them got hurt in what Ernest Hemingway once called "a morning's pleasure." But a spectator fell from a wall and was killed.

An estimated 80,000 visitors are crowded into this town of 130,000 to take part in the week-long fiesta.

Until next Monday, there will be bullfights every day, and singing, dancing and drinking in the streets.

The first of the eight "encierros"—the "running of the bulls"—was held today when the bulls for the afternoon's fights were released from their corrals on the outskirts of town to run through barricaded streets to the bullring.

Ahead of the Horns

Hundreds of Pamplona youths and tourists ran ahead of them straining to keep out of reach of the bulls' horns and hooves.

Police said the toll was small

—only four injured. Six persons have died in the "encierros" in the last 34 years and every year more than 100 are gored or otherwise injured.

But tragedy today struck among the spectators, many of whom had been drinking all night.

A youth identified by police as William McLeod Steel, 31, of Sydney, fell from a wall and died of a fractured skull.

The fiesta opened yesterday to unusual political overtones.

For the first time, opponents of Generalissimo Francisco Franco's regime broke the fiesta's tacit political truce to shout "freedom, freedom" and scatter anti-regime leaflets at the opening ceremonies.

Later, during the traditional procession through Pamplona to the Church of San Fermín, the city's patron saint, a red flag suddenly appeared among the marchers.

Police sources said the matter was ignored and no arrests made in order not to spoil the fiesta. The red flag was seized by police.



OPERA IN PARIS

A Touch of Women's Liberation

By David Stevens

PARIS, July 7 (IHT).—Since nothing much happens by accident at the Paris Opéra these days, it is tempting to guess at the motives for the revival of Paul Dukas's "Ariane et Barbe-Bleue." Perhaps a gesture toward lovers of French opera who lament the "internationalizing" of the Opéra, or even a lyric salute to international women's year.

Tourism in U.K. Is on the Rise

LONDON, July 7 (Reuters).—Britain received 18 per cent more foreign visitors during the first four months of this year than during the corresponding period of 1974, according to figures released today by the Trade Department and the British Tourist Authority.

However, the number of visitors from the United States dropped by 4 per cent.

Arrivals from Common Market countries were up 13 per cent, with 21 per cent more Frenchmen crossing the Channel while Belgians and Luxembourg tourists increased by 19 per cent.

The number of visitors from the rest of West Europe jumped 18 per cent overall on the four-month period last year. Forty-two per cent more visitors came from Norway and 31 per cent more from both Spain and Austria.

of Debussy in the repertoire for a while again, although the new production that was unveiled Saturday by the Opéra is unlikely to liberate the work from the twilight zone of popularity where it has hovered most of the time since its creation at the Opéra-Comique in 1907. It was last seen here at the Opéra in 1952.

Symbol-Laden

Maurice Maeterlinck's symbol-laden poem, unlike "Pelléas" written expressly for lyric treatment, draws heavily on the mythological significance of Ariane (Ariadne, Arianna) and Bluebeard. Ariane, his seventh wife, enters Bluebeard's castle with six silver keys, each of which reveals a treasure in precious gems, and the forbidden golden key, which reveals life of his previous wives held prisoner in the dungeons.

"I thought you were stronger and wiser than your sisters," Bluebeard reproaches. "You will lose the happiness that I wanted for you... Renounce knowledge and I can pardon you."

"The happiness I want cannot live in the darkness," is Ariane's reply. "I can pardon when I know everything." She thinks she will liberate her unhappy predecessors too, but despite three acts of consciousness-raising sessions, they opt for familiar slavery over the liberty of the unknown, and Ariane leaves alone.

'Superior Nature'

Yet the composer will not allow a woman's lib interpretation. She does not act out of feminist conviction, he wrote, "but by the expansion of a superior nature." She stands for all seekers of light and truth.

Unfortunately for its durability as an opera, this work does not reveal its rich content either vocally or through stage action. Almost all the singing is confined to women's voices, which makes for a certain paleteness, and dramatically it is hopelessly static. It is a psychological drama whose musical burden is carried almost entirely by the rich, highly colored and carefully crafted orchestral score—not unlike the stage works of Debussy or Wagner, between whom Dukas's idiom occupies a limited but well-defined middle ground. On Saturday, it was played with full tone and sympathy by the conductor Gary Bertini, making his debut in the house, and the Opéra's orchestra.

Role of Ariane

Grace Burnby sang the long role of Ariane, almost constantly on stage, with an unflinching flow of strong, velvety mezzo vocalism, but visually neither she nor Jacques Dupont—who staged and designed the production—were able to suggest more than a statuesque and remote Lady Beautiful. Jacques Mars and the impersonators of the captive wives did the best they could with their two-dimensional characters. Dupont has designed many



Grace Burnby, left, as Ariane at the Paris Opéra.

sumptuous productions for the Opéra, but this, alas, is not one of them. His single great hall hovers somewhere between

vaguely medieval and modishly art nouveau, the glaring light toward which Ariane is drawn is more like a prison searchlight

than a symbol of enlightenment, and his Klimt-inspired costumes lost most of their impact in the ineffective stage lighting.

Music in England: Questionable Casting of 'Cosi' Revivals

By Henry Pleasant

LONDON, July 7 (IHT).—The casting of two revivals of Mozart's "Cosi Fan Tutte," one at the Royal Opera two weeks ago, the other at the Glyndebourne Festival Friday night, might most seem to imply a wish on the part of the producers to emphasize the universality of the opera's cynical moral.

At Covent Garden we had Anna Tomowa-Sintow, a Bulgarian Doraabella; Kurt Sraam, a Norwegian Guglielmo; Evelyn Mandac, a Philippine Despina, and two Americans, Robert Johnson and Michael Devlin, as Ferrando and Don Alfonso.

Robert Kerns, an American Guglielmo and Richard Van Allan, on English Don Alfonso. It should be noted that Tomowa-Sintow, Kerns and Wolters were substituted for a New Zealand, an Italian and a German respectively.

And at Glyndebourne we had Bozena Belley, a Polish Fioriligi; Reni Penkova, a Bulgarian Doraabella; Kurt Sraam, a Norwegian Guglielmo; Evelyn Mandac, a Philippine Despina, and two Americans, Robert Johnson and Michael Devlin, as Ferrando and Don Alfonso.

A second cast, taking over beginning July 24, will include an Australian, two Swedes, two Frenchmen and an Englishman. All that is missing is two Albanians to make the dignities of Ferrando and Guglielmo properly authoritative.

This is all very well as an encouragement of the brotherhood of man, but it has its disadvantages for the presentation of "Cosi Fan Tutte," if only because there is hardly another opera in the repertoire where a thoroughly integrated ensemble is so essential.

Which is not to say that both productions have not been enjoyable. It is rather that in neither case has there been the time and rehearsal required for that ultimate teamwork—as in the Vienna production of the early post-war years—that can make "Cosi" not only enjoyable but memorable.

In both cases, too, we have had Fioriligi without the rich low register extension so vital to her two great arias. Maybe they just don't come like that any more.

The Festival Circuit in Europe

PARIS, July 7 (IHT).—The following is a guide to international festivals opening in August and September. Additional information may be obtained from festival organizers whose addresses are also given. (Information about earlier festivals was published in articles which appeared in the IHT on March 19, April 3 and 19.)

Santander (Aug. 1-31): Among the visitors to this festival on Spain's northern coast are Montserrat Caballé, Yehudi Menuhin, Mieczyslaw Zdzienicki, Friedrich Gulda and Dimitri Bashkirev. The Prague Chamber Orchestra and the Royal Philharmonic, under Antal Dorati, also will supplement the customary classical, Spanish and folk dance and theater. "International Festival of Music and Dance, Plaza de Velarde, Santander, Spain."

Lucerne (Aug. 13-Sept. 6): The 37th festival is centered, as usual, on the orchestral concerts, with the Swiss Festival Orchestra and

Chorus under Fercucik opening the proceedings with Liszt's Hungarian Coronation Mass. Other orchestras are the Southwest German Radio under Ernest Bour, the Israel Philharmonic under Zubin Mehta and Michael Tilson Thomas, the Berlin Philharmonic under Karajan and the New York Philharmonic under Boulez. Witold Lutoslawski will conduct his own "Preludes and Fugues" (1972), and recitalists will be Edith Mathis, Gérard Souzay, Yehudi Menuhin, Maurizio Pollini, Deszö Ránby and Jullian Bream. (Internationale Musikfestwochen, Pilatusstrasse 14, 6005 Lucerne, Switzerland.)

Helsinki (Aug. 31-Sept. 5): A new Finnish opera, Kokkonen's "The Last Temptation," is on the program, as are Britten's "Curlew River" and "Burning Fiery Furnace." Luigi Nono will be on hand with his music, and visiting orchestras include the Czech and Stockholm Philharmonics, Union-Inkanta 28, SF-00100 Helsinki 10, Finland.

Edinburgh (Aug. 24-Sept. 13): Mozart's "Marriage of Figaro" will be given a new festival production, conducted by Daniel Barenboim and staged by Geraint Evans. Berlin's Deutsche Oper brings Berg's "Lulu" and Sirmus's "Solome," and the Scottish Opera will give the world premiere of Robin Orr's "Hermiston." Leonard Bernstein will conduct and play Ravel on the piano with the Orchestre National de France, and conduct his own "Climacour Follies" with the London Symphony. The Royal Ballet will give the first performance of Peter Wright's "El Amor Brujo" and the Alvin Nikolais company will give two programs. Otherwise there is the usual formidable mixture of theatrical, film and fringe activity. (21 Market Street, Edinburgh EH1 1BW.)

Besides Bach, there will be the world premiere of Jacques Bonadona's "Oratorio de la Resurrection," at Caillac, (Festival Jean-Sébastien Bach, Maison du Tourisme, 81-Ma-a-m-u-e, France.)

Besancon (Sept. 4-14): Opens with a concert by the North German Radio Orchestra under Moshe Atzamu and closes with one by the Rhône-Alpes Philharmonic under Serge Baudo. The Deaux Arts Trio appears alone and in the Beethoven Triple Concerto, and the Ensemble Instrumental de Lausanne and the Melos Quartet of Stuttgart are among the other ensembles on hand. There is also the 35th annual competition for young conductors. (Faire des Expositions, Planoise, 33000-Besancon, France.)

Berlin (Sept. 9-Oct. 1): Lotte Lenya is one of many who will join in a five-concert cycle of Kurt Weill's music at the Akademie der Künste. The Deutsche Oper is mounting a new production of "Parsifal," staged and designed by Philipp Sanhajet. Seiji Ozawa conducts the Berlin Philharmonic, and soloists in Mahler's Eighth Symphony, and visiting orchestras are from Israel, Cleveland, New York and Cologne. The 12 Cellists of the Berlin Philharmonic will play works by Blacher and Jean Francaix (a premiere) and Ernst Krenek. Mauricio Kagel, Karlheinz Stockhausen and Luciano Berio will present new works of their own. (Theater includes the Piccolo Teatro di Milano, the La Mama of New York and Japan's Clues Oldenburg. "Die Brücke," and one on American Shaker communities. (Berliner Festwochen, Bundesallee 1-12, 1 Berlin 15.)

Perugia (Sept. 14-28): The Sagra Musicale Umbra is in its 30th year of giving concerts, opera and other musical events dealing with sacred themes, in this and other Umbrian cities and towns. (Casella Postale No. 341, 06100 Perugia, Italy.)

Paris (Sept. 16-Dec. 15): The Festival d'Automne's music program includes 21 concerts and the first festival of the International Society of Contemporary Music since 1967. (Oct. 25-29). For dance (Nov. 10-24), there will be 29 young troupes from 17 countries. Thirteen theatrical spectacles include nine premieres, and visiting troupes include La Mama and The House of New York, Luc Rombon's version of Aristophanes, and Milan's Piccolo Teatro with Sorcher's production of "The Cherry Orchard," and Nicholas Schiffrin will install his "Grand Prism" in the Sorbonne chapel. (3 Cite Bergère, 75005 Paris.)

Warsaw (Sept. 20-28): The Swedish Radio Orchestra, the Gyor Philharmonic (Hungary), and the Chamber Choir from Tallinn (Soviet Union) will join the ensembles in this year's Warsaw Autumn contemporary music festival. (17 Rynek Starozego Miasta, 00-262 Warsaw.)

Barcelona (Sept. 26-Oct. 31): The annual festival of the Jencines Musicales—concerts, recitals, Spanish ballet, and an exhibition of autograph scores from the collection of the tenor Anton Dermatta. (Via Layetana 139, La Barceloneta 8.)

Bratislava (Oct. 4-19): The long list of visiting ensembles and soloists includes orchestras from Moscow, Bologna, Prague and Budapest, opera companies from Belgrade, East Berlin and Prague, flutist Severino Gazzelloni, pianists Friedrich Gulda and Bruno Leonardo Gelber, violinist Henryk Szeryng, and soprano Anneliese Rothenberger. (Secretariat, c/o Slovkonert, Leninova 3, Bratislava, Czechoslovakia.)

Graz (Oct. 4-26): The Styrian Autumn, devoted to the contemporary arts, has scheduled musical first performances by Friedrich

At French Festival

First Large-Scale Look At Volkonsky's Work

By Paul Moor

LA ROCHELLE, France (IHT).—The third annual International Encounters of Contemporary Art, aside from presenting some first-rate theater and a film festival, concentrated its ambitious musical presentations on two composers, the French-nationalized refugee from Greece, Iannis Xenakis, 53, and the still stateless refugee from the Soviet Union, André Volkonsky, 42.

Xenakis, acclaimed throughout most of the world as one of the most original talents in composition today, hardly needs introduction. Suffice it to say that three La Rochelle programs devoted almost entirely to Xenakis, including the world premiere of "Empreintes," a massive work for large orchestra commissioned by this festival, reconfirmed Xenakis's position as a dazzlingly imaginative lone wolf warily skirting the present-day compositional pack.

André Volkonsky was born in Geneva to Prince and Princess Volkonsky, taken by his homeland parents to Stalin's Russia in 1947, was admitted to the Moscow Conservatory and was expelled for, among other things, his persistent, defiant interest in such ideologically suspect composers as Wagner and Debussy. Volkonsky's early composition was primarily influenced by dodecaphonism learned from a Romanian-born pupil of Webern and Berg. He survived by becoming the Soviet Union's first harpsichordist ever and founder and conductor of Madrigal, an instrumental and vocal ensemble devoted to music from the Middle Ages to the Renaissance. Volkonsky managed to emigrate two years ago and has now settled in his birthplace, Geneva.

Claude Samuel, this festival's artistic director, wisely decided to go all-or-nothing on Volkonsky, who had gone 12 years without a performance of his music in the West with a parcel of his scores he has never heard. In addition to presenting Volkonsky's brilliant organ recital devoted to the two Gabriellis and Frescobaldi, La Rochelle also presents two and a half complete concertos of Volkonsky's own works, including three world premieres, plus a public discussion scheduled for broadcasting soon.

In spite of all these good intentions, one will still have to wait for really definitive, or even creditable, performances of the two largest Volkonsky works unveiled here, a sort of triple concerto entitled "Concerto Time-rant" and another orchestral work called "The Links of Time." In the former, three truly outstanding soloists, the soprano Clara Dutoit, the flutist Machiko Tsubashi, the Soviet emigrant violinist Philipp Hirschhorn, the conductor Jean-Pierre Jaquillat, and in the latter the conductor Edgar Howarth, all exerted themselves prodigiously and covered themselves with glory but the Radio France Chamber Orchestra deserves credit of fire on its collective gray head for an attitude, in performance as well as rehearsal, ranging from indifference to open hostility and disgust.

Chamber works went better, particularly "Shchegla-Laments," admirably sung by Lucia Kerstens, and a new work combining the harpsichord and the tar, an ancient Persian instrument.

All in all, music historians of the future may well look back on this festival for having provided, however inadequately, first large-scale hearings to the most interesting and important Russian composer since Shostakovich, possibly since Stravinsky.

Art Student Charged

ZURICH, July 7 (Reuters).—A 24-year-old West German studying for an art history diploma has been arrested here on charges of stealing paintings and engravings worth some 200,000 francs (about \$120,000) from museums and libraries in West Germany and Switzerland, police said today. Police and the man—whose name they did not disclose—sold most of the stolen items to buy works of art for his own collection.

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Map in China Tomb

PEKING, July 7 (Reuters).—Archaeologists have found an elaborate map of the universe on the ceiling of an 800-year-old Peking tomb excavated in central China's Hopei Province, the Peking People's Daily reported. It said that the map showed the position of 28 planets and stars.

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## As Orders Surge, Inventories Fall Better Economic Trend Seen by U.S. Buyers

NEW YORK, July 7 (AP-DJ).—A... in new orders and production and a quickened pace of inventory liquidation fueled a business recovery in June, consumer goods agents reported.

A survey by the National Association of Purchasing Management Inc., a trade group, also showed "encouraging employment trends" as layoffs declined and job openings rose. That trend "looks better now than at any time in the past year," E. F. Andrews, chairman of the group's business survey committee, said.

The business expansion could be aborted by several events, the buying agents said. Among those "hazardous" are a possible increase in oil prices by the exporting nations, curtailments of natural gas production and mounting pressure from foreign imports.

Early evidence and opinion suggest that a good recovery is afoot, and will survive the

hot summer, building strength in the third and fourth quarters, Mr. Andrews said.

The base of business improvement broadened last month, but several segments of industry still lagged. They included publishing, lumber, furniture and steel. The buying agents said forgings, electric motors, natural gas and pipe fittings still were in short supply, and both shortages and higher prices were reported for castings, bearings and caustic soda. Gasoline prices are expected to rise again this month due to government-mandated increases.

For most items, however, prices were unchanged or lower last month. Of those surveyed, 34 per cent paid less for production materials while 13 per cent paid more. The remainder reported no change.

Reduction of unsold inventories, considered a key to a business upturn, was reported by 51 per cent of the buying agents in June, up from 40 per cent the previous month. Those increasing inventories totaled 11 per cent, off slightly from 13 per cent in May.

Some concern was expressed that if liquidations last too long or cut too deep, the stage could be set for a return to rapid accumulation and shortages.

Of those surveyed, 33 per cent reported increases in new orders in June and 20 per cent posted declines. In the previous month, 27 per cent said orders rose and 25 per cent said they fell. Increased production was indicated by 30 per cent of those surveyed, compared with 28 per cent in May.

There were fewer layoffs last month and a rise in new hirings. Of those polled, 22 per cent said they were still firing workers, compared with 29 per cent in May. But job increases in June were reported by 18 per cent, up from 13 per cent the prior month.

## Dollar Rises As Interest Rates Decline

LONDON, July 7 (AP-DJ).—The dollar rose sharply against European currencies today under the pull of higher short-term dollar interest rates.

The dollar rose to \$240.00 Deutsche marks, its highest level since Jan. 2 and up from 239.20 Friday. It advanced to 255.02 Swiss francs from 254.35 and to 14.14 francs from 14.11.

Sterling benefited from a late rally, but it nevertheless finished over against the dollar at \$1.9800, down from \$1.97.

Helping push the dollar higher was a rise in six-month Euro-dollar interest rates to 8.25 per cent offered from 8.06 per cent in Friday. Moreover, six-month New York certificates of deposit were quoted at 7.13 per cent compared with 6.75 per cent on July 3, before the Independence Day holiday.

Analysts say that it is likely that the dollar will raise its price to 7.25 per cent in keeping with its formula.

However, some dealers say the dollar's recent upturn has been too sharp to be justified on the rise in short-term interest rates. "We expect some profit-taking to occur anytime now," a dealer at a large American bank in London said.

## Price Increases in OECD Area Decline to 0.8%

PARIS, July 7 (AP-DJ).—Consumer price increases in the 24-nation Organization for Economic Cooperation and Development (OECD) fell to 0.8 per cent in May compared with 1.1 per cent in April, figures released today show.

However, with the exclusion of Britain, where prices rose 4.2 per cent in May, the rate was 0.6 per cent in May, the OECD said.

For the 12 months to May, OECD consumer prices rose 12 per cent compared with 13.4 per cent for all of 1974.

Only four countries posted price increases below 10 per cent for the 12 months to May 1975: West Germany with 6.1 per cent, Switzerland 8.2 per cent, Austria 8.6 per cent and the United States 9.5 per cent.

Britain's rate stood at 25 per cent, surpassed only by Iceland's 7.4 per cent.

## MARKETING GROWTH

MAPCO's marketing arm, the Thermogas Division, reported that propane sales were up more than 15% in the first quarter of 1975, as compared to the same period a year ago. A detailed review is contained in our Quarterly Review. If you'd like a copy, write:

**mapco**  
MAPCO, INC.  
1000 Broadway  
New York, N.Y. 10018  
SVP: MDA  
P: 555-5555

## Deposits by Mideast States in Euromarket Drop Sharply

BASEL, July 7 (AP-DJ).—New deposits by Middle East countries in the Eurocurrency market declined sharply during the first quarter of 1975, according to statistics released by the Bank for International Settlements today.

At \$3.5 billion they were still the most important single source of new funds to the market, but that was well below the \$5.4 billion in the preceding last quarter of 1974.

This was in line with the contraction of the oil-exporting countries' current payments surplus, the bank noted. About half of the increase was in currencies other than dollars.

Other important sources of new Eurocurrency funds were Swiss, German, and American banks.

The inflow from the United States occurred simultaneously with a substantial reduction in the reporting banks' claims on the United States. The BIS report said, "As a result, the banks'

net claims on the United States contracted by \$2.6 billion, a development which reflected the U.S. lead in the downward movement of interest rates and the related weakness of the dollar on the exchanges."

Principal borrowers were Eastern European countries—\$2.6 billion—and Japan—\$1.7 billion.

The BIS said the external assets and liabilities in foreign currency of the banks in the eight reporting European countries increased by \$7 billion and \$6 billion respectively during the first quarter.

The report said that "measured in current dollars this was only about half the expansion recorded in the preceding quarter. But in that quarter valuation effects resulting from exchange rate movements had added about \$5 to \$6 billion (billions) to increase the dollar value of the banks' foreign currency assets and liabilities, while their effect in the first quarter of 1975 amounted only to about \$1 billion."

"Moreover," the report said, "the figures for the two quarters reflect the building-up and subsequent liquidation of end-year positions. Without these two special influences the banks' assets and liabilities would have shown a significant acceleration of growth between the two quarters—probably from well below \$5 billion in the fourth quarter of 1974 to about \$10 billion in the first quarter of 1975."

The BIS report said that "as in other periods of dollar weakness, the first-quarter expansion of the Euro-market was concentrated on non-dollar currencies and in particular on the Deutsche mark. Indeed, only about one-quarter of the growth in the reporting banks' external assets was in dollars, while dollar liabilities actually declined."

The four major car companies are stepping up sales at many plants because of a slight improvement in car sales, and because the firms are closing out production of 1974-model cars and trucks.

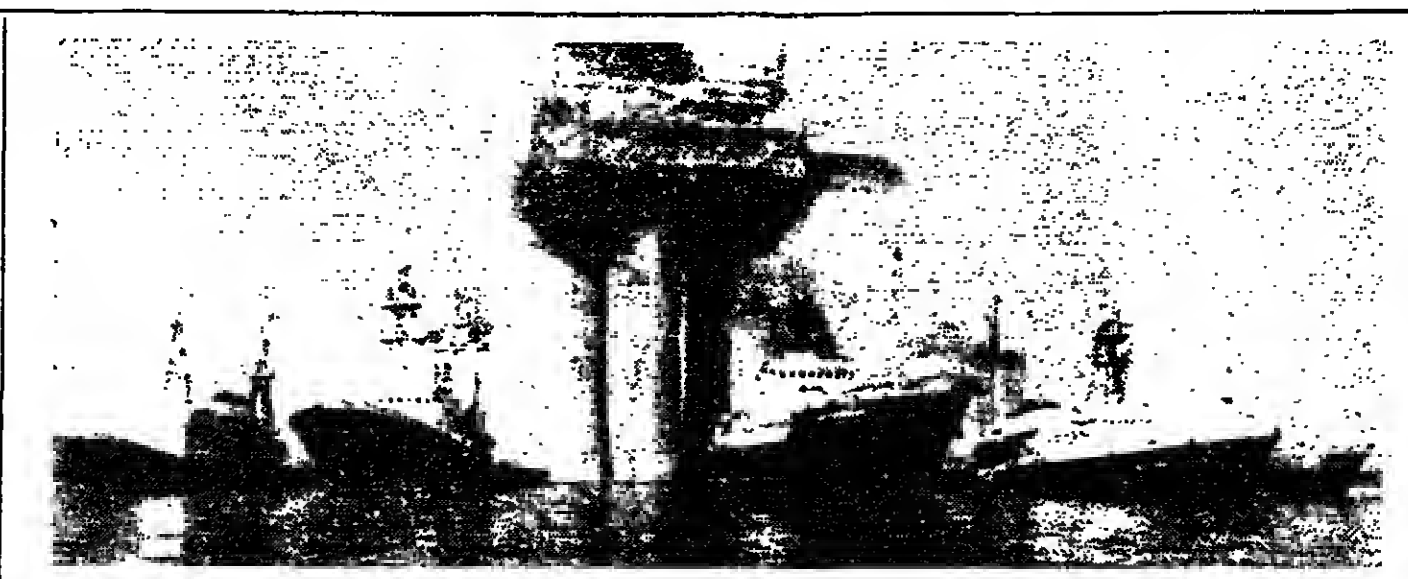
June car sales were the best in 11 months.

Meanwhile, Ford and American Motors are sending thousands of their workers paid vacations. Ford is closing 26 plants and AMC will shut down three factories to gear up for 1976-model production.

Last week 144,132 auto industry blue-collar workers were on furloughs, all but 4,150 of them indefinitely.

This week temporary layoffs will idle 6,470 persons, while indefinite layoffs are down almost 6,000 to 124,522. The four major car companies employ about 712,000 hourly workers.

The industry jobless toll has not been this low since November, when the auto companies began to trim production because of sagging sales.



HEAVY HAUL—Five tugs led by world's largest, M/V Rotterdam (third from right) tow Mobil's Beryl "A" oil production platform from a fjord at Stavanger, Norway, toward the Beryl field in the North Sea. The platform weighs 350,000 tons on the seabed, where it is due later this week.

## '...A Foolproof System? ...You Can Punch Any Weight You Want...' Trick Weighing Said to Lift U.S. Grain Exporters' Profit

By William Robbins

NEW ORLEANS, July 7 (NYT).—Witnesses have detailed a simple trick with automatic weighing devices that has allegedly allowed several large grain companies to make millions of dollars in illegal profits on their export shipments.

"They tell you it's a foolproof system, huh?" one witness said to a reporter. "Look, all you have to do is put these scales on hold, see. Then you reach under the keyboard and trip a lever, and you can punch any weight you want to on the tape."

He cited a case where \$60,000 was added in this way to the value of one shipment.

Testimony and data reportedly being accumulated here indicate that gains from the rigging of shipping weights represent a

relatively small percentage of profits available from the false grading of grain, which can run into millions of extra dollars a year for any company with high export volume that practices the fraud.

The weighing trick is only part of additional information coming to light here among a growing mass of testimony, documents and data reportedly gathered in a broad investigation into alleged corruption in the handling, weighing and grading of grain for export through the port of New Orleans.

Allegations resulting from the investigation as well as complaints from abroad have raised growing concern about the vital U.S. export trade in grain, which has been running at over \$11 billion a year, about a third of it through the port of New Orleans.

The investigation has spread to other major grain ports. Fifteen individuals have been indicted so far in the New Orleans area and five more in the port of Houston.

More recently, part of the investigation has reportedly focused on three large grain companies—Bunge Corp., Cook Industries Inc., and Mississippi River Grain Elevator Inc. A vice-president of Cook's grain division has been suspended pending completion of an investigation by the company of its New Orleans operations.

Besides the scale-rigging device, other information coming to light includes the following:

**Italian Price Index Up**  
ROME, July 7 (Reuters).—The Italian cost of living index rose 0.3 per cent from April to 1974 in May, the National Statistics Institute said today. This represents a 19.7-per-cent rise from May 1974 (base 1970).

## Some U.S. Experts Dispute Forecast of Capital Crunch

By Vartan G. Vartan

NEW YORK, July 7 (NYT).—Some business leaders are predicting a capital crunch which, they maintain, threatens ultimately to produce bottlenecks and shortages again while slowing economic growth and keeping unemployment at intolerably high levels.

However, some economists doubt that a serious capital shortage will occur. Instead, they see something akin to an industry complex to obtain tax concessions and other incentives by raising the shortage specter.

The New York Stock Exchange has published a study that projects a capital "gap" of \$50 billion over the next 10 years unless there is a growth in the "free" gross national product of 3.6 per cent annually, or a pace slightly faster than its growth during the last decade.

The issue is immensely complex. Different studies set forth varying parameters and sets of postulated conditions. They also reach different conclusions. In Washington, the government economist says that projections of any capital shortage should not depend importantly upon the monetary policy of the Federal Reserve Board. But a non-government economist in the capital markets takes the opposite view.

Until lately, the capital-shortage debate had been essentially one-sided and devoted to saving the conventional viewpoint of the business community have now

begin to question the validity of the shortfall.

Thus, even the economic forum of the Conference Board, composed mainly of business organizations, found in its mid-1975 examination of conditions a number of members disputing the prospect of a capital shortage. One panelist noted that "fears of capital shortage are typically born during prolonged inflations."

The capital-shortage theorists are concerned about the accumulation of large deficits in the federal budget. The deficit for fiscal 1976, it is generally acknowledged, will run perhaps \$10 billion to \$15 billion higher than the Ford administration's official estimate of \$60 billion.

When the federal budget runs a surplus, it provides an important source of funds, along with the savings by individuals and the retained earnings of corporations, that can be channeled into capital needs.

"Essentially, the task of accumulating enough capital means that people must save more and consume less," says James Needham, chairman of the New York Stock Exchange. "In a society accustomed to perhaps more than its share of material self-indulgence, that suggests a reversal of form approaching the revolutionary."

Allegations more directly linking grain company aides to bribery of inspectors who grade their grain. The inspectors in the New Orleans area are licensed by the Department of Agriculture but employed by private agencies, with a small percentage of their work spot-checked by limited staffs of federal supervisors.

Orders from officials of a grain company to an inspector to misgrade low-quality and adulterated grain being loaded aboard ships, requests for misgrading from others, with the same results, and other forms of pressure on the inspectors, whose legal role is to be impartial judges between buyer and seller.

Details provided to investigators on the scope of grain thefts by company employees, including some management aides. The details now becoming available have been pieced together from witnesses who have been

targets of the investigation and from other sources close to the inquiry.

"From the day you go to work as an inspector," one witness said in an interview, "it's bred into you that your job is to help the elevator. They say you've got to bend with the wind. You only draw the line when it gets too bad."

After describing the weight-rigging system, one witness told of an incident in which a few grain-elevator aides were allegedly paid \$7,000 to falsify data to indicate that one ship had been loaded with 20,000 bushels of soybeans more than the capacity of the ship's holds. The phony cargo was worth about \$60,000.

The witness learned of the incident, he said, from a junior assistant involved who was angry because his share of the payoff was only \$500.

of whose shares were in the red as recently as the end of last year.

Averages do not, of course, tell the whole story. There are half a dozen mutual funds in the list with 10-year losses of at least 30 per cent. With one or two exceptions, however, the funds are small, with less than \$1-million under management.

Unfortunately, there is some truth to the conventional wisdom that many individuals, the primary investors in mutual funds, tend to invest just in time to catch the top of the market.

Many Caught the Fever  
There were no doubt thousands who caught mutual fund fever in 1968, when a number of investment companies doubled their money in single 12-month periods. Tens of thousands of those who invested then undoubtedly still have losses. One widely heralded fund of the era, Mates Investment, shows a five-year loss of 45.31 per cent as of the end of June.

This fund was one of the most spectacular gains of the period. It fell on hard times after a major holding of the portfolio, Ecological Sciences, dropped precipitously as the company developed massive problems. Mates held restricted shares in the company and was unable to dispose of them for many months.

Fred Mates, who now operates a bar off 7th Street on Manhattan's East Side, was typical of dozens of Manhattan money managers of the era who achieved star status in a free-wheeling period. His mutual fund, once sizable, now has assets of just \$1-million.

Warning From the Past  
At this point it would seem advisable for potential purchasers of mutual fund shares to heed the lessons of the past. The strong market of the first six months of this year has carried the average fund up 35.53 per cent from its level at the end of 1974 and a plateau in the stock market or worse may be in the offing.

At any rate, the days of spectacular gains seem to have receded, with two funds up over 100 per cent and 17 up 70 per cent this year. The funds that have doubled their money are the tiny (\$2 million in assets) 44 Wall Street Fund, up 186.96 per cent, and the \$29-million Pennsylvania Mutual Fund, up 134.36 per cent.

In the last five years, the 44 Wall Street Fund has posted a gain of 131.22 per cent, while the Pennsylvania Mutual Fund is down 35.33 per cent.

In the second quarter the average mutual fund was up 13.59 per cent, which was somewhat less than the average gain for the first quarter of this year—18.68 per cent.

## U.S. Mutual Funds Show Gains of 58.5%

By Robert Metz

NEW YORK, July 7 (NYT).—After years of staggering losses in the worst and most prolonged bear market of this generation, owners of shares in leading mutual funds have been rewarded for their patience by the vigorous stock market rally of the last six months.

The tabulation by Lipper Analytical Services Inc. indicates that over the 10 years to June 30, 1975, the average gain in a list of 545 investment companies has been 58.53 per cent. The figures reflect reinvestment of capital gains and dividend distributions.

Thus there are gratifying paper profits for tens of thousands of long-term holders, virtually all of whose shares were in the red as recently as the end of last year.

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## Dow Average Falls 10.71 Interest Rate Fears, Profit-Taking Hit N.Y.

NEW YORK, July 7 (NYT).—Profit-taking and speculation that interest rates may soon turn higher weighed heavily on New York Stock Exchange prices today.

A published report said that pressure is building for a boost to 7 1/4 per cent from 7 per cent in the banking industry's prime interest rate.

The steady decline in the key rate since last September from the record 12-per-cent level has been one of the chief factors behind the sharp advance in the stock market over the last several months.

The Dow Jones industrial average fell 10.71 to 861.08. Volume totaled 12.85 million shares, down from 19 million Thursday. The market was closed Friday for Independence Day.

Aluminum Co. of America fell 1 3/4 to 45 1/4. Alcoa was one of several companies that agreed last week to delay pending aluminum price increases for 30 days at the request of the Council on Wage and Price Stability.

Reynolds Metals and Kaiser Aluminum, which also agreed to delay price increases, dropped a point each to 22 and 31, respectively.

IBM dropped 2 1/2 to 204, while Burroughs declined 1 7/8 to 106 5/8. The latter said it plans to introduce a new series of computer terminals.

Martin Marietta, recovering from an early loss, tacked on 1/8 at 18 1/8. Government sources said the Army has tentatively selected the aerospace firm to develop a laser-guided artillery shell with a potential worth of \$2 billion.

Hershey Foods gained 1 1/4 to 17 5/8 after a delayed opening. Analysts predicted improved earnings for the candy-bar manufacturer this year in a published report.

Howmet, another strong feature, spurted 3 7/8 to 19 1/4.

Pechiney Ugine Kuhlmann said it plans to make a cash tender offer for the remaining outstanding shares of Howmet common stock at \$19 a share. Pechiney presently owns 70 per cent of Howmet.

Getty Oil fell 1 to 185, reversing an early uptrend. It said gold mineralization was discovered in part of an ore body property in northern Australia.

Apco Oil climbed 3 1/2 to 18 3/4. Alaska Interstate, off 1 8 at 18 3/4, said it plans to offer to buy 1.5 million shares of Apco common for \$11.50 a share. The plan would provide Alaska Interstate with a controlling interest in Apco.

The American Stock Exchange index closed down 8.43 to 92.17. Most active was Kaiser Industries, which fell 1/8 to 10 1/8 on 123,500 shares traded.

Also active were New York Times class A, down 1/4 to 11 3/4; Federal Reserve, up 5/8 to 4 3/4; Champion Home Builders, unchanged at 4 1/4; and United Foods, up 1/4 to 2.

Bonds closed widely mixed. In the corporate sector, dealers reported prices off as much as 1/2 point at the close as the market struggled off some feeble efforts to firm quotes.

Government issues, meanwhile, rallied from earlier weakness to close mostly unchanged from pre-weekend levels.

Dealers said that closing government bond prices ranged from 1/32 below to 3/32 above Thursday night quotes.

In Chicago heavy profit-taking in the last 30 minutes turned most farm commodity futures lower on the Board of Trade.

An early gain of 10 cents a bushel in soybean and wheat futures was turned into a loss of almost that much in the soybean pit and again of only 1/2 cent in wheat. Corn and oats were down around 3 cents. Soybean oil, up 75 points early, closed with a loss of 50. Soybean meal declined about \$1 a ton.

**GM Price Rise  
On 1976 Models  
To Be Up to 6%**

DETROIT, July 7 (AP).—General Motors Corp. has indicated it may raise prices on its 1976-model cars and light trucks by up to 6 per cent, or about \$300 a car.

GM confirmed today it privately notified its dealers last month that prices on new models to fleet buyers would reflect a maximum 6-per-cent increase.

The price notification does not officially set new model prices, but it provides an indication of price increases planned by the company for all its vehicles—to individual buyers as well as fleet buyers.

A company spokesman said no distinction is made between individual and fleet purchasers when price increases are determined.

The planned increase is in line with the 3 to 6-per-cent rise which officials at Ford and Chrysler have said they are considering.

GM's pricing plans usually set the industry trend. With control of more than half the domestic car market, GM is the acknowledged industry price leader.

## IMETAL

June 17th, 1975.

The group underwent a major reorganization in 1974:

- Transfer of the entire nickel division to a new company, Société Métallurgique Le Nickel-SLN, and sale of half of the assets held in this subsidiary to the Société Nationale des Pétroles d'Algérie for Fr. 871 million;
- Change of name into IMETAL, the new company shifting into the role of an industrial holding;
- Formation, with a view to providing the group with centralized and fully equipped scientific and technical studies of Mineral Recherche (Trappes Research Center), and Trumetmet (engineering consultancy);
- Strengthening of its position in the non-ferrous sector through the purchase, on the London Exchange, of an interest of nearly 10% in the Lead Industries Group.

IMETAL's organization now consists in a network of industrial and trading subsidiaries and affiliated companies all over the world. Its three main subsidiaries being:

- PENARROJA (58.5%) lead, zinc, silver, germanium, cadmium and uranium.
- 1974: 329,000 T of lead and 194,000 T of zinc.
- Turnover: 1,292M.Fr. (1) (consolidated 3,534 M.Fr.).
- Cash flow: 157 M.Fr. (consolidated 328 M.Fr.).
- Net profit: 33 M.Fr. (consolidated 109 M.Fr.—20 Fr. per share).
- Net dividend: 4 Fr. per share 68 Fr. including tax credits.
- Carried forward: 11 M.Fr.

- LE NICKEL-SLN (50%) nickel, ferro-nickels, oxides and powders.
- 1974: Productions: 67,270 T of metal contained (+17% 1973).
- 4,600,000 T of ores (+15% 1973).
- Sales: 73,387 T (+36% 1973) export accounted for 70%.
- Net profit: 45 M.Fr.
- Cash flow: 204 M.Fr.
- MORITA (92.5%) iron ore, manganese, uranium ore, non-metallic products.
- 1974: Productions: Iron ore (2,900,000 T) manganese dioxide (160,000 T) and uranium contained (2,000 T). All increased compared to 1973.
- Net profit: 15 M.Fr. (consolidated 62 M.Fr.—65 Fr. per share).
- Net dividend: 10 Fr. per share (15 Fr. including tax credits).
- At the 1st January, 1974, IMETAL's trade investment subsidiaries and affiliated companies amounted to 1,456 M.Fr. and the net situation 1,633 M.Fr.

Consolidated situation (70 companies, 18 countries):

- Total assets: 5,209 M.Fr. (2.5 times the mother company).
- Net situation: 2,589 M.Fr. (56% of the total).
- Invested capital: 4,906 M.Fr.
- Liquid assets: 1.19 times the short-term debts.
- Turnover: 4,887 M.Fr.
- Cash flow: 533 M.Fr.
- Net profit: 562 M.Fr. (nearly 18 Fr. per share).

IMETAL's net results for 1974 amounts to 48.8 M.Fr. appropriated to reserves and 7 M.Fr. carried forward. The amount distributed is 23.8 M.Fr. The net dividend is 3 Fr. per share for each of the 1,594,468 shares constituting







## American Stock Exchange Trading

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	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
Sales	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Trading Profit	136	147	161	185	208	277	321	387	436	526	624	812	1,047
	19	23	30	36	42	50	61	71	83	99	116	145	164

(Sales and trading profit have been converted from sterling at the rate of U.S. \$2.40 to £1.)















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